

FRANCHISE DISCLOSURE DOCUMENT

HOTWORX® FRANCHISING, LLC
5161 Taravella Road
Marrero, LA 70072
(504) 297-1HOT
www.HOTWORX.net



As a franchisee, you will operate a HOTWORX® location as a 24-hour studio that offers hot exercise services, fitness products and other specialty items under the name brand “HOTWORX®”.

The total investment necessary to begin operation of a single ~~traditional~~ HOTWORX® studio franchise is from ~~\$258,550 - \$268,250~~ to ~~\$877,750 - \$698,500~~ except for studios developed in California and New York which range from ~~\$339,650 - 268,250~~ to ~~\$1,359,212 - \$869,500~~. This includes ~~\$150,350 - 136,150~~ to ~~\$224,450 - 196,150~~ that must be paid to the franchisor or its affiliates.

~~The total investment necessary to begin operation of a single express HOTWORX® studio franchise is from \$261,250 to \$704,000 except for studios developed in New York which range from \$261,250 to \$875,000. This includes \$129,150 to \$189,150 that must be paid to the franchisor or its affiliates.~~

The total investment necessary to enter into our Area Development Agreement will depend on the actual development rights we grant to you. At a minimum, an area developer must open two (2) studio outlets. If we grant you the right to an additional studio, then your initial investment for this one additional studio will cost between ~~\$253,600 - 261,250~~ to ~~\$872,800 - \$693,550~~ except for studios developed in California and New York which range from ~~\$334,700 - 261,250~~ to ~~\$1,354,262 - \$864,550~~. This includes ~~\$145,400 - 129,150~~ to ~~\$219,500 - 191,200~~ that must be paid to the franchisor or its affiliates.

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 to you. To discuss the availability of disclosures in different formats, contact the Franchise Sales Department at 5161 Taravella Road, Marrero, Louisiana 70072, (504) 297-1HOT.

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

INFORMATION COMPARING FRANCHISORS IS AVAILABLE. CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT A OR YOUR PUBLIC LIBRARY FOR 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 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.

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

ISSUANCE DATE: ~~July~~^{April} 19~~0~~⁰, 2024

How to Use This Franchise Disclosure Document

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

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

What You Need to Know About Franchising *Generally*

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

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

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

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

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

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

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

Some States Require Registration

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

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

Special Risks to Consider About *This Franchise*

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

1. **Out-of-State Dispute Resolution.** The franchise agreement and area development agreement require you to resolve disputes with franchisor by mediation, arbitration and/or litigation only in Louisiana. Out-of-state dispute resolution may force you to accept a less favorable settlement for disputes. It may also cost you more to sue, arbitrate or mediate with franchisor in Louisiana than in your own state review.
2. **Mandatory Minimum Payments.** You must make mandatory minimum royalty and other payments and advertising contributions regardless of your sales levels. Your inability to make these payments may result in termination of your franchise and loss of your investment.
3. **Spousal Liability.** Your spouse must sign a document that makes your spouse liable for all financial obligations under the franchise agreement even though your spouse has no ownership interest in the franchise. This guarantee will place both you and your spouse's marital and personal assets, perhaps including your house, at risk if your franchise fails.

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

TABLE OF CONTENTS

ITEM		PAGE
1	The Franchisor, and Any Parents, Predecessors, and Affiliates.....	1
2	Business Experience.....	3 4
3	Litigation.....	5 6
4	Bankruptcy.....	5 7
5	Initial Fees.....	5 7
6	Other Fees.....	7 9
7	Estimated Initial Investment.....	12 16
8	Restrictions on Sources of Products and Services.....	21 27
9	Franchisee’s Obligations.....	23 29
10	Financing.....	25 32
11	Franchisor’s Assistance, Advertising, Computer Systems and Training.....	26 35
12	Territory.....	38 47
13	Trademarks.....	41 50
14	Patents, Copyrights and Proprietary Information.....	44 54
15	Obligation to Participate in the Actual Operation of the Franchise Business.....	48 58
16	Restrictions on What the Franchise May Sell.....	48 58
17	Renewal, Termination, Transfer and Dispute Resolution.....	49 59
18	Public Figures.....	57 68
19	Financial Performance Representations.....	58 69
20	Outlets and Franchisee Information.....	65 79
21	Financial Statements.....	75 89
22	Contracts.....	75 89
23	Receipt.....	75 89

Exhibit A - List of State Administrators

Exhibit B - Agents for Service of Process

Exhibit C - List of Franchisees

Exhibit D - List of Terminated Franchise Agreements

Exhibit E - Financial Statements

Exhibit F – Single Unit Franchise Agreement

Exhibit 1 – Schedule of Authorized and Approved Products and Services

Exhibit 2 - Approved Location and Territory Addendum

Exhibit 3 - Guaranty Agreement and Acknowledgment by Guarantor

Exhibit 4 - Rider to Lease

Exhibit 5 – Software License Agreement

Exhibit 6 - Confidentiality and Non-Competition Agreement

Exhibit 7 - Conditional Assignment of Franchisee’s Telephone Numbers, Email Addresses, Social Media and Other URLs

Exhibit 8 - Statement of Prospective Franchisee

Exhibit G – Area Development Agreement

Exhibit H –Termination of Franchise Agreement and Release Upon Transfer to An Authorized Franchisee

Exhibit I – Confidentiality Agreement

[Exhibit J – Financing Agreement](#)

Exhibit ~~K~~ – State Specific Addenda

Exhibit ~~L~~ – Receipt

Item 1
THE FRANCHISOR, AND ANY PARENTS, PREDECESSORS AND AFFILIATES

The franchisor is HOTWORX® Franchising, LLC (“we,” “us,” “our,” “Franchisor,” “HOTWORX®” or “HWX”). “You” means the person who we grant a franchise, or the franchisee. The person granted the franchise may be a natural person, partnership, corporation, or limited liability company. If you are a partnership, corporation, limited liability company, or other entity, your owners must sign our “Guaranty Agreement and Acknowledgement by Guarantor,” which means that all of our Franchise Agreement’s provisions also will apply to your owners.

We were organized as a limited liability company under Wyoming law on November 29, 2016. Our principal business address is 5161 Taravella Road, Marrero, Louisiana 70072. We operate under our company name and the trademarks described in Item 13 ~~(the “Marks”).~~ We do not do business or intend to do business under any other names. We have not conducted business in any other line of business. If we have an agent in your state for service of process, we disclose that agent in Exhibit B.

We began offering franchises for HOTWORX® studio Locations in January 2017. We do not have any parents or predecessors.

The Franchised Business

We grant franchises for stores operating under the “HOTWORX®” name and other ~~m~~Marks. (For reference purposes in this disclosure document, we call the stores in our system “HOTWORX® studio locations.” ~~or “HOTWORX® express locations.”~~ We call the HOTWORX® location that you will operate the “studio.” ~~Whenever we reference HOTWORX® studio franchise in this Franchise Disclosure Document we are referring to both concepts unless we specifically refer to one or the other.~~ HOTWORX® studio locations offer 24-hour hot exercise services and fitness products.

Our franchise consists of a small footprint of approximately 2000 square feet, boutique-style business model with the potential for minimal overhead and labor costs. Through our affiliate, we have an automated access/entry system where our members can access the studio 24 hours a day. You will operate the studio from an approved location (“Approved Location” or “Location”) using our proprietary business format (the “System”) and the trade name “HOTWORX®” and such other trademarks, service marks, logos and other indicia of origin (our “Proprietary Marks”) as we may designate for use in connection with the studio. You will operate the studio according to the Franchise Agreement and our confidential operations systems described in this disclosure document. As a HOTWORX® studio franchisee, your studio will offer hot exercise services, functional training area, and related retail products to the general public throughout the year.

We will grant you the right to operate one HOTWORX® studio at a location we approve in the Franchise Agreement (“Franchise Agreement”). ~~If a studio will have more than five saunas it will usually be identified as a traditional HOTWORX® studio. If a location has only five saunas the location will usually be identified as an express HOTWORX® studio. The principal differences are the number of saunas inside the location.~~

Area Development Agreement

We also offer to certain candidates the right to develop multiple studios within a specific development area under the terms of the Area Development Agreement. If you sign an Area Development Agreement, you must sign a separate, then-current Franchise Agreement for each studio you develop within the specific development area stated in the Area Development Agreement. —The then-current Franchise Agreement may differ from the current Franchise Agreement included with this Franchise Disclosure Document.

Competition

The market for health, wellness and fitness services is extremely competitive and well-developed. Your studio will compete with other local, regional and national yoga studios, Pilates studios, gyms, spas and fitness studios for which the market is well-developed and highly competitive. You will compete with other outlets offering HOTWORX® services, including Planet Beach, SOL SPA and other HOTWORX® outlets.

Industry Specific Regulations

Fitness studios are regulated in certain states and counties, and regulations are constantly being updated and revised. We recommend that you research your state and county laws regulating the fitness studio industry. You will also have to comply with state and local laws and regulations applicable to health and safety. Further, your studio will be subject to all laws and regulations that apply to businesses generally.

Affiliates

Our affiliate Planet Beach Franchising Corporation (“PBFC”) was incorporated in Louisiana in 1996. In 2008 PBFC became a Nevada corporation, and in March of 2010, PBFC incorporated in Delaware. PBFC’s principal address is 5145 Taravella Road, Marrero, Louisiana 70072. PBFC began offering franchises in 1996. Originally PBFC offered franchises that provided UV tanning services. Today PBFC offers franchises that include a wide range of automated spa services, including ~~ing~~ sunless tanning, massage therapy, teeth whitening, and infrared heat therapy (including HOTWORX® units). As of December 31, 2023~~2~~, there were ~~2637~~ Planet Beach locations in the United States and ~~24~~ international locations. The products and services offered by PBFC’s franchises are competitive with the products and services offered by HOTWORX® franchises.

Our affiliate HOT Brands, LLC (“HOT Brands”), formerly known as Planet Beach Brands, LLC (“PBB”), ~~formed on March 5, 2007~~, licenses certain trademarks and intellectual property to ~~franchisees of PBFC, and franchisees of HOTWORX®, HWX, LLC, SOL SPA, LLC, Planet Beach International, LLC, and HOTWORX International, LLC.~~ —~~Formed on March 5, 2007, PBB licensed certain trademarks and intellectual property to franchisees of PBFC.~~ On December 6, 2016, PBB’s name was changed to HOT Brands, LLC. HOT Brands’ principal business address is 5145 Taravella Road, Marrero, Louisiana 70072. HOT Brands has never offered franchises in any

line of business nor has it ever operated a business of the type being offered in this disclosure document.

Our affiliate, Planet Beach International, LLC (“PBI”) was formed on October 29, 2007 as a Louisiana limited liability company. Its principal place of business is located at 5145 Taravella Road, Marrero, Louisiana, 70072. PBI offers master franchise opportunities internationally. PBI has never offered franchises in the same line of business nor has it ever operated a business of the type being offered in this disclosure document.

Our affiliate, HOTWORX International, L.L.C. (“HI”) was formed on May 21, 2019 as a Louisiana limited liability company. Its principal place of business is located ~~ats~~ 5145 Taravella Road, Marrero, Louisiana 70072. HI offers master franchise opportunities internationally.

Our affiliate, HOTWORX Canada, L.L.C. (“HC”) was formed on May 29, 2024 as a Wyoming limited liability company. Its principal place of business is located at 5145 Taravella Road, Marrero, Louisiana 70072. HC offers master franchise opportunities in Canada.

Our affiliate, HOT TECH, LLC (“HOT TECH”), formerly known as Spa Synergy®, was formed on January 28, 2013, as a Louisiana limited liability company. HOT TECH’s principal business address is 5161 Taravella Road, Marrero, Louisiana 70072. HOT TECH licenses a proprietary point-of-sale software system to franchisees of [HOTWORX®](#), [SOL SPA®™](#), [HOTWORX International](#), [HOTWORX®](#) and of PBFC. HOT TECH has never offered franchises in any line of business nor has it ever operated a business of the type being offered in this disclosure document.

Our affiliate, HWX, LLC (“HWX”), was formed on April 25, 2016, as a Louisiana limited liability company. HWX’s principal business address is 5145 Taravella Road, Marrero, Louisiana 70072. HWX manufactures and distributes certain studio equipment and products that ~~are~~ required to be purchased by our franchisees. HWX also owns a minority interest in our company-owned studio in Oxford, Mississippi, Marrero, Louisiana, and Chicago, Illinois. The Oxford studio opened in February 2017, the Marrero studio opened in January of 2018, and the Chicago studio opened in July 2019. HWX has never offered franchises in any line of business.

Our affiliate SolarV, LLC (“SolarV”), was formed on July 29, 2021, as a Wyoming limited liability company. SolarV’s principal business address is 5161 Taravella Road, Marrero, Louisiana 70072. SolarV’s purpose is to explore the development of a solar power initiative for the benefit of HOTWORX® franchisees in the future. [SolarV has never offered franchises in any line of business.](#)

Our affiliate, SOL SPA Franchising, LLC (“SOL SPA”) was formed on December 13, 2021, as a Wyoming limited liability company. SOL SPA’s principal address is 5200 Taravella Road, Marrero, Louisiana 70072. SOL SPA began offering franchises in 2022. SOL SPA offers franchises that provide UV therapy, ~~and~~ 24-hour spray tanning, spa services, and hot yoga and HOT CHAKRA, the sale of spa and yoga products, and other specialty items under the name brand “SOL SPA®™” and other affiliated brand retail products. As of December 31, 202~~3~~², there were ~~04~~ SOL SPA locations in the United States and 0 international locations. The products and services offered by SOL SPA®™’s franchises are competitive with the products and services offered by HOTWORX® franchises.

Our affiliate, Diet TRAX, LLC (“Diet TRAX”) was formed on December 2, 2021, as a Wyoming limited liability company. Diet TRAX’s principal address is 5145 Taravella Road, Marrero, Louisiana 70072. Diet TRAX is a calorie tracking application that is offered to members of HOTWORX studios and Planet Beach spa. Diet TRAX has never offered franchises in any line of business.

Item 2 BUSINESS EXPERIENCE

Chief Executive Officer: Stephen P. Smith, MA, CFE

Stephen Smith is a founder and has served as our CEO from January 2017 until the present. Mr. Smith is also a founder of and is employed by PBFC (5145 Taravella Road, Marrero, Louisiana 70072) and has served as its CEO from January 1996 to the present.

Senior Vice President of Franchise Recruitment: Nancy M. Price, CFE

Since January 2017 through the present, Nancy Price has served as our Senior Vice President of Franchise Recruitment. Since April 1996 through the present, Nancy Price has also served as Senior Vice President of Franchise Recruitment and is employed by PBFC (5145 Taravella Road, Marrero, Louisiana 70072).

Vice President for Franchise Performance: Jessica Matherne

Jessica Matherne has served as Vice President for Franchise Performance from January 2017 to the present. Jessica Matherne has served as Vice President of Franchise Performance from January 2014 to the present at and is employed by PBFC (5145 Taravella Road, Marrero, Louisiana 70072).

Vice President of Special Events and Productivity: Jodie Mateu

Jodie Mateu has served as our Vice President of Special Events and Productivity from April 2016 through the present. Since April of 2016 through the present, Ms. Mateu has also served as the Vice President of Special Events and Productivity at and is employed by PBFC (5145 Taravella Road, Marrero, Louisiana 70072). From January 2004 through the present, she has served the Executive Assistant to the CEO at PBFC.

Vice President of HWX, LLC: April Grandbouche

April Grandbouche has served as our Vice President of HWX, LLC from July 2020 to present at 5161 Taravella Road, Marrero, Louisiana 70072. April Grandbouche served as the Director of Procurement and eCommerce for HOTWORX Franchising, L.L.C. from January 2017 until July 2020. From July 2014 through January 2017, Ms. Grandbouche served as the Director of eCommerce for and is employed by PBFC (5145 Taravella Road, Marrero, Louisiana 70072).

Chief Financial Officer: Kevin Gremillion

Kevin Gremillion has served as our Chief Financial Officer from October 2019 to present. From July 2012 to September 2019, Kevin Gremillion worked as a consultant with Windward Strategies, LLC. Since October 2019, Kevin Gremillion has also served as Chief Financial Officer for and is employed by PBFC (5145 Taravella Road, Marrero, Louisiana 70072).

Vice President of Information Technology: Robyn Powell

Robyn Powell has served as our Vice President of Information Technology from July 2022 to present. Robyn Powell served as the Director of Information Technology from December 2010 until July 2022. From December 2007 until December 2010, Robyn Powell served as a Planet Beach Franchise Performance Consultant. Robyn Powell is employed by PBFC (5145 Taravella Road, Marrero, Louisiana 70072).

Director of Location Development: Tiffany Tandecki

Tiffany Tandecki has served as our Director of Location Development from June 2023 to present. From May 2018 to June 2023, Tiffany Tandecki was the Director of Development and Marketing for St. Paul's Episcopal School. Tiffany Tandecki is employed by PBFC (5145 Taravella Road, Marrero, Louisiana 70072).

General Counsel: Michael Canseco

Michael Canseco has served as our Corporate Counsel from November 2023 to March 2024 and then General Counsel from April 2024 to present. From May 2017 until October of 2023, Michael Canseco served as General Counsel of Main Squeeze Juice Company Franchise, LLC, and previous to his time at Main Squeeze, served as Chief Legal Officer of In & Out Franchise, LLC from October 2015 to April 2017. Michael Canseco is authorized to practice law in the state of Louisiana. Since November 2023, Michael Canseco is employed by PBFC (5145 Taravella Road, Marrero, Louisiana 70072).

Item 3 LITIGATION

PENDING LITIGATION

Greg Skistimas and Gabriela Skistimas v. HOTWORX Franchising, LLC, Nancy Price, Patricia Gattuso, Stephen P. Smith, Jessica Matherne, Jodie Mateau, and Melissa Ferguson, (3:23-5974, W.D. Washington). On October 27, 2023, HOTWORX franchisees Greg Skistimas and Gabriela Skistimas (“Plaintiffs”) filed a Complaint in the Western District of Washington against HOTWORX Franchising, LLC, Nancy Price, Patricia Gattuso, Stephen P. Smith, Jessica Matherne, Jodie Mateau, and Melissa Ferguson (“Defendants”). In their complaint, Plaintiffs assert claims for unconscionability, illegality, fraud, misrepresentation and violation of the Washington Franchise Investment Protection Act and Washington Consumer Protection Act, asserting that the terms of the franchise agreement and area development agreement violated Washington law, are unconscionable, illegal and unenforceable. Plaintiffs further assert that HOTWORX Franchising made misrepresentations concerning the total cost of investment and the cost of leasehold improvements and assessed improper fees. Plaintiffs assert entitlement to rescission, damages in excess of \$75,000, exemplary damages, statutory damages, attorneys’ fees and costs. In response, Defendants moved to dismiss Plaintiffs’ claims for lack of personal jurisdiction and failure to state a cause of action including, but not limited to, for fraud. Additionally, HOTWORX filed a motion to dismiss to compel compliance with the Franchise Agreement’s internal dispute resolution procedures, including arbitration. The matter is in the beginning stages and a trial date has not yet been scheduled. HOTWORX entities believe they have valid defenses to Plaintiffs’ allegations and will respond accordingly.

PAST LITIGATION

Nazha Abdul-Hadi, individually and on behalf of Tara Rashar Abdul-Hadi v. HOTWORX International, LLC, HOTWORX Franchising, LLC, HOT Brands, LLC, Christ Driven, LLC and Steven Smith, (No. 2022-10706, State of Louisiana, 22nd Judicial District Court, St. Tammany Parish). On February 18, 2022, Nazha Abdul-Hadi filed a wrongful death petition against HOTWORX Franchising, L.L.C., certain of its affiliates (collectively “HOTWORX Entities”), and Christ Driven, LLC, a HOTWORX franchisee, in her individual capacity and on behalf of the estate of Tara Rashar Abdul-Hadi, who died from injuries alleged to have been sustained in a HOTWORX sauna at the franchisee’s HOTWORX location. Plaintiff subsequently named additional parties to include HWX, LLC, Evanston Insurance Company and Lloyds Syndicates Nos. 2623 and 623. Plaintiff alleges that HOTWORX Entities and the franchisee were negligent with regard to the use of the HOTWORX sauna and that as a proximate cause of one or more of the negligent acts, Ms. Tara Rashar Abdul-Hadi sustained injuries which resulted in her death two weeks later. Plaintiffs further allege that HOTWORX Entities and Franchisee are strictly liable for the injury allegedly resulting from Ms. Tara Rashar Abdul-Hadi’s use of the HOTWORX sauna. Plaintiffs additionally alleged product liability claims against Mr. Stephen Smith and HWX, LLC. —The Plaintiff seeks damages in an unspecified amount. —Following settlement

negotiations, HOTWORX agreed to pay Plaintiff \$380,000 in settlement of all claims. –

No other litigation is required to be disclosed in this item.

Except as provided above, the following applies to the franchisor, any predecessor disclosed in Item 1, 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, 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 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.

Item 4 BANKRUPTCY

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

Item 5 INITIAL FEES

Single Unit Franchise Fee

You will pay an initial lump sum franchise fee of \$19,950 for a single unit license. –This fee is deemed fully earned and non-refundable at the time the Franchise Agreement is executed. ~~If you decide to purchase the right to operate an express studio you will pay an initial lump sum franchise fee of \$12,950. This fee is deemed fully earned and non-refundable at the time the Franchise Agreement is executed.~~ On extremely rare occasions, we may discount this fee based on market conditions and other promotions. We have not yet developed a formula for such discounts ~~and, as of this writing, no discounted fees have been paid to us.~~ In the past, we have offered existing

franchisees a discounted franchise fee of \$14,950 in connection with a promotion offered at convention. In all instances, payment of the initial franchise fee is due when you sign the Franchise Agreement.

Area Development Fee

Upon execution of a Franchise Agreement, Franchisor may elect to sign an Area Development Agreement with certain candidates. At a minimum, an area developer must open two (2) studio outlets. Franchisees with multiple options are required to adhere to a strict development schedule. The cost for one (1) additional license for a ~~traditional~~-HOTWORX® studio, if granted, shall be for \$15,000. This fee is deemed fully earned and non-refundable at the time the Area Development Agreement is executed. Alternatively, the cost for any additional licenses of two or more for ~~traditional~~-HOTWORX® studios, if granted, shall be for \$10,000 each. This fee is deemed fully earned and non-refundable at the time the Area Development Agreement is executed. ~~Moreover, if you purchase an express studio initially, you may only develop express locations thereafter under the Area Development Agreement. The cost for an additional license for an express HOTWORX® studio, if granted, shall be for \$12,950 per each additional license regardless of how many additional licenses are purchased. This fee is deemed fully earned when paid and is non-refundable. To be eligible for this arrangement, you must purchase the additional licenses when you execute the first Single Unit Franchise Agreement.~~ Please note that the purchase of additional licenses is not, in itself, a franchise agreement. ~~Provided that you timely~~ If you exercise your right option to open-develop additional studios, you will be required to sign a separate Single Unit Franchise Agreement for each outlet prior to engaging a broker~~commencing location development~~ or initiating any form of lease negotiations. In all instances, payment of the area development fee is due when you sign the first FranchiseArea Development Agreement.

VetFran Program

Franchisor participates in the VetFran Program and qualified franchisees may receive a discount of \$2,500 on the initial franchise fee.

Equipment

Before opening your studio, you must purchase from Franchisor or an affiliate or lease through a third-party lender all HOTWORX® studio equipment. The cost of equipment that must be purchased from Franchisor or its affiliate ranges from \$110,400 ~~95,000~~ to \$184,500 ~~\$155,000~~ depending on the number of saunas located at your studio. Certain other equipment must be purchased from an approved vendor. Equipment costs are nonrefundable. The total cost to buy all required equipment ranges from \$146,900 ~~128,500~~ to \$255,100 ~~196,100~~ depending on the number of saunas located at your studio. This estimate does not include the cost of shipping and installation and taxes for any equipment and does not include shipping and installation for equipment that must be purchased from an approved vendor or other required equipment.

CAD Fee

Before opening your studio, you must pay Franchisor a \$1,200 computer-aided design fee for the layout of the saunas ~~for each commercial space for which you request a design in your studio.~~ For example, if you request a CAD fee for two different commercial spaces, the cost will be \$2,400. To the extent that franchisee requests more than one revision to the computer-aided design for a particular space, franchisee will incur a revision fee of \$100 per revision. This fee is deemed fully earned when paid and is non-refundable.

Wholesale Goods

Before opening the studio, you must purchase a minimum of \$20,000 of wholesale goods from Franchisor or an affiliate. ~~The cost for these wholesale goods is \$20,000.~~ These costs are nonrefundable.

Item 6 OTHER FEES

REQUIRED FEES

TYPE OF FEE (Notes)	AMOUNT	WHEN DUE	REMARKS
DMA or Development Area Transfer (Notes 1 and 3)	\$5,000	Before you transfer the franchise or transfer from one DMA or development area to another.	There is no transfer fee when an individual transfers the franchise to his/her corporation or LLC. Should franchisee elect to transfer license to another DMA or development area, then a \$5,000 transfer fee will be assessed.
Resale/Transfer Fee (Notes 1 and 3)	\$10,000 - \$19,950	Upon sale of existing location.	There is a resale fee of \$10,000 when selling your location to an existing franchisee. There is a resale fee of \$19,950 when selling your location to a third-party entering into the franchise system.
Monthly Royalty Fee (Note 3)	\$595.00 per month	<u>Franchisor will begin billing royalties the first month after Franchisee's studio opens. Thereafter, royalties are due by the 5th of every month for the preceding month.</u>	Payment will be made through Autodraft system

TYPE OF FEE (Notes)	AMOUNT	WHEN DUE	REMARKS
Annual Convention (Note 3)	\$590.00 - \$790.00	Fees that are unpaid 14 days prior to convention will be automatically drafted.	Fee includes registration for 2 attendees. It does not include cost of travel, lodging, food, or entertainment
Credit Card Processing Fee (Note 3)	3% of Amount Charged	Any time you make payments to Franchisor or its Affiliates by credit card.	When Franchisee uses a credit card for purchases from the Franchisor or its Affiliates, Franchisor or its Affiliates will charge Franchisee a credit card processing fee.
Technology Fee (Notes 3 and 7)	\$0 -\$150.00 per month or \$1,800 lump sum	<u>Franchisor will begin billing Tech fee the month after Franchisee signs the franchise agreement. Thereafter, this fee is due the 5th of every month for the preceding month, or lump sum.</u>	A fee may be imposed for additional technology upgrades but not to exceed \$150 per month or \$1,800 per year lump sum
POS Software Fee (Notes 3 and 4)	\$129.00 per month	<u>Franchisor will begin billing POS fee upon installation of software for pre-sale; Thereafter, this fee is due the 5th of every month for the preceding month.</u>	Payment will be made directly to designated vendor
Virtual Instructor Software Fee (Notes 3 and <u>54</u>)	\$20.00 per sauna per month	<u>Franchisor will begin billing VI fees the first month after Franchisee's studio opens. Thereafter, VI fees are due by the 5th of every month for the preceding month.</u>	N/A

TYPE OF FEE (Notes)	AMOUNT	WHEN DUE	REMARKS
DIET TRAX® (Notes 3 and 5)	\$65.00 per month	Franchisor will begin billing DIET TRAX fees the first month after Franchisee’s studio opens. Thereafter, DIET TRAX fees are due by the 5th of every month for the current	Proprietary application for tracking calories and tracking workouts and exercise N/A
“SAIL” - Customer Relations Management (CRM) Fee (Notes 3 and 4)	\$125.00 per month per studio location	Franchisor will begin billing SAIL fee upon installation of software for pre-sale. Thereafter, this fee is due the 5th of every month for the preceding month.	N/A
Secret Shop Inspections (Note 3)	\$100.00 - \$150.00 per shop inspection	When incurred.	N/A
Site Visit Fee (Note 3)	\$200.00 per day	When incurred.	This fee is applicable when Franchisee requests Franchisor provide additional on-site training. This fee does not include travel, hotel and per diem expenses for which you are also responsible.
<u>CAD and CAD Revision Fee</u>	<u>\$1,200 fee; \$100 for 2nd and each additional revision</u>	<u>When incurred</u>	<u>The CAD fee is \$1,200. A \$100 fee is applicable upon franchisee’s request of second and each additional revision drawings</u>

TYPE OF FEE (Notes)	AMOUNT	WHEN DUE	REMARKS
<u>DYNAMIX</u>	<u>\$99 per month</u>	<u>Franchisor will begin billing DYNAMIX fee during pre-marketing; Thereafter, this fee is due the 5th of every month for the preceding month</u>	<u>Proprietary email marketing system for targeted automations and campaigns</u>
<u>SOCI</u>	<u>\$35 per month</u>	<u>Franchisor will begin billing for SOCI fee after Franchisee's marketing on-boarding call; Thereafter, the monthly Soci monthly fee is due the 5th of every month for the preceding month</u>	<u>Centralized platform for managing local digital marketing channels, including organic social media, online reputation through reviews, and business listings</u>
<u>Marq</u>	<u>\$85 set-up fee, \$15 per month</u>	<u>Franchisor will begin billing for Marq fee after Franchisee's marketing on-boarding call. Thereafter, the Marq monthly fee is due the 5th of every month for the preceding month</u>	<u>Brand Management, Content Design & Templating Platform</u>

NON-COMPLIANCE FEES

TYPE OF FEE	AMOUNT	WHEN DUE	REMARKS
Late Payment Fee (Notes 2, 3 and 6)	\$100.00 per week	Whenever any of the above fees are late.	Interest is also charged on any overdue amounts at 18% per annum or the maximum rate permitted by state law, whichever is less.

TYPE OF FEE	AMOUNT	WHEN DUE	REMARKS
<p align="center">NSF Fee (Note 3)</p>	<p align="center">\$30.00 per transaction</p>	<p>When there are insufficient funds to make payment.</p>	<p>Payment will be made to the Franchisor through the Autodraft System.</p>
<p align="center">Insurance Handling Fee (Note 3)</p>	<p align="center">\$250.00 <u>per policy</u></p>	<p>Immediately after notice from us.</p>	<p>You only pay this fee to us if you fail to obtain insurance, and we obtain insurance coverage for you. This fee does not include the insurance premiums, for which you must also reimburse us.</p>
<p align="center">Indemnification (Note 3)</p>	<p align="center">Amount of judgment or claim</p>	<p>When incurred</p>	<p>You must defend, indemnify and hold us harmless from all fines, suits, proceedings, claims, demands, obligations or actions of any kind arising in whole or in part from the operation of your Franchised Business</p>
<p align="center">Enforcement fees (Note 3)</p>	<p align="center">Varies</p>	<p>When incurred</p>	<p>If Franchisor prevails in any arbitration or lawsuit in which you are a party, you will be required to pay Franchisor's fees for enforcing its contract with you. This includes Franchisor's attorney's fees, the costs of hiring a collection agency, court costs, costs of compiling records of your gross receipts, discovery costs, and costs of appeal, together with interest charges on all of the foregoing</p>

TYPE OF FEE	AMOUNT	WHEN DUE	REMARKS
Noncompliance Real Estate Penalty Fee (Note 3)	\$5,000	Immediately after notice from us	Franchisor may impose this fee when Franchisee fails to sign new, then-current franchise agreement before commencing site selection or any lease negotiations for additional HOTWORX® locations or prior to engaging a broker for consideration of additional HOTWORX® locations
Accounting Noncompliance Penalty Fee (Note 3)	\$250 per day	On the sixth day of each month	A fee may be imposed for when Franchisee fails to timely submit monthly expense report
Customer Service Noncompliance Fee	up to \$1,000 per incident	Immediately after notice from us	A fee may be imposed when Franchisee fails to timely resolve customer service disputes after receiving notice of dispute such that Franchisor finds it necessary to intervene.
Improper or Unauthorized Use of Trademark (Note 3)	\$1,000 per incident	Immediately after notice from us.	A fee may be imposed when Franchisee improperly uses Franchisor's trademarks.
Noncompliance of prohibition of advertising on daily deal sites	\$500.00 per day	Immediately after notice from us	In addition to liability for any damages for which Franchisee is legally liable, a daily fee will be assessed by the Franchisor when Franchisee posts promotions on daily deal sites, such as Groupon, Living Social, MindBody, GymPass and/or other similar sites. This daily fee will be assessed until Franchisee demonstrates promotion is completely removed, including from any internet search engines.

TYPE OF FEE	AMOUNT	WHEN DUE	REMARKS
<p>Noncompliance of Operations Policies</p>	<p>up to \$1,000 per incident</p>	<p>Immediately after notice from us</p>	<p>A per violation fee will be assessed by the Franchisor when Franchisee violates any HOTWORX policy governing operations of Franchisee’s studio, including but not limited to Marketing and Branding Guidelines, HOTWORX Operations Policies & General Operational Procedures, Price Integrity Policy, Customer Service Oath, Membership Policies, Vending & Rental Policies, In Studio Signage Policy & Guidelines. This per violation fee may be continuously assessed until compliance is confirmed.</p>

Note 1: There is no transfer fee when an individual transfers the franchise to his/her corporation or LLC. If you sell your location to an existing franchisee, the resale/transfer fee will be \$10,000. Otherwise, the resale/transfer franchise fee is \$19,950. All fees are non-refundable. Should franchisee elect to transfer license to another Designated Marketing Area (DMA) or development area, then a \$5,000 transfer fee will be assessed.

Note 2: Franchisees who receive a default notice for nonpayment must cure within 30 days of notice. On the 31st day, Franchisor will begin drafting \$100 per week until the default is cured. Franchisor does not waive any other remedies or rights that Franchisor has against the Non-Compliant Franchisees.

Note 3: All fees are uniformly imposed by and are payable to Franchisor and/or vendor. All fees are non-refundable.

Note 4: All software fees commence upon installation of software.

Note 5: The DIET TRAX® [and Virtual Instructor](#) fees will commence upon ~~or shortly before~~ opening your Studio and once you are provided access to DIET TRAX® [and Virtual Instructor software](#).

Note 6: The maximum interest rate in California is 10% annually.

Note 7: The monthly technology fee covers certain costs associated with technology used in the operations of your studio, such as the access fee(s) for Google Workspace.

Item 7
ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT
Single HOTWORX® Studio (~~Traditional or Express~~)

Table 1: Exclusive of California and New York Franchise Outlets

TYPE OF EXPENDITURE (notes)	ESTIMATE AMOUNT OR LOW-HIGH RANGE	METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS TO BE MADE
Initial Franchise Fee (1, 2, 18)	\$12,950 to \$19,950	Lump Sum	Upon signing of Franchise Agreement	Franchisor
HOTWORX Sauna, Software, and Workout Equipment and Staff Uniforms (3, 18)	\$110,400 to \$184,500 \$95,000 to \$155,000	Lump sum	As arranged	Franchisor and/or Affiliate
Other Required Studio Equipment, Software, Staff Uniforms, and Furniture (4, 18)	\$21,500 to \$36,000 \$17,000 to \$20,500	As arranged	As arranged	Approved Vendors
Other Required Studio Components (5, 18)	\$15,000 to \$34,600 \$16,500 to \$20,600	As arranged	As arranged	Various
Leasehold Improvements (6, 18)	\$15,500 to \$285,500	As arranged	As arranged	General Contractor

TYPE OF EXPENDITURE (notes)	ESTIMATE AMOUNT OR LOW-HIGH RANGE	METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS TO BE MADE
CAD Fee/Engineering, & Architect Fees & Pre-Construction Coordination (7, 18)	\$1,200 to \$28,100 \$3,200 to \$14,500	As arranged	As arranged	Franchisor, Approved Vendor , and Architect /Engineer
Trade Dress Items and Finish Out (8, 18)	\$19,500 to \$53,500 \$25,000 to \$46,000	As arranged	As arranged	Approved Vendors
Utility, phone, real estate and real estate lease deposits (9, 18)	\$3,500 5,000 to \$84,600 19,000	As arranged	As arranged	Landlord and Local Providers
Insurance initial payment (10, 18)	\$400 to \$13,600 \$4000 to \$19,450	As arranged	As arranged	Insurance Provider
Printing, Marketing and Advertising (11, 18)	\$10,000	As arranged	As arranged	Various
Wholesale Goods/Inventory to begin operating (12, 18)	\$20,000	Lump sum	Upon ordering	Franchisor and/or Approved Vendor
Professional Fees (13, 18)	\$1,000 to \$15,000 \$10,000	As arranged	As arranged	Various
Additional funds during startup period, such as for first three months, initial operations, and working capital (14, 18)	\$35,500 to \$54,500	As arranged	As arranged	N/A
Out-of-Pocket initial training expenses, including travel and lodging (15, 18)	\$600 to \$3,500	As arranged	As arranged	Airlines, taxis, hotels, restaurants, etc.
<u>SBA Loan Packaging Fees & Closing Costs (19)</u>	\$0 to \$22,500 \$0—\$12,000	<u>As arranged</u>	<u>As arranged</u>	<u>Third party lender</u>

TYPE OF EXPENDITURE (notes)	ESTIMATE AMOUNT OR LOW-HIGH RANGE	METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS TO BE MADE
<u>Subtotal</u>	<u>\$258,500 to</u> <u>\$580,350</u>			
Leasehold Improvements (6, 18)	\$0 to \$297,400 \$15,500 \$285,500	As Arranged	As Arranged	General Contractor
Totals (2, 16, 17, 18, 19)	<u>\$258,500 to</u> <u>\$877,750</u> \$261,250 \$698,500			

Table 2: California and New York Franchise Outlets

TYPE OF EXPENDITURE (notes)	ESTIMATE AMOUNT OR LOW-HIGH RANGE	METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS TO BE MADE
Initial Franchise Fee (1, 2, 18)	\$12,950 to \$19,950	Lump Sum	Upon signing of Franchise Agreement	Franchisor
<u>HOTWORX Sauna, Software, and Workout Equipment and Staff Uniforms</u> (3, 18)	<u>\$110,400 to</u> <u>\$184,500</u> \$95,000 to \$155,000	Lump sum	As arranged	Franchisor and/or Affiliate

TYPE OF EXPENDITURE (notes)	ESTIMATE AMOUNT OR LOW-HIGH RANGE	METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS TO BE MADE
Other Required Studio Equipment, Software, <u>Staff Uniforms</u>, and Furniture (4, 18)	<u>\$21,500 to \$36,000</u> \$17,000 to \$20,500	As arranged	As arranged	Approved Vendors
Other Required Studio Components (5, 18)	<u>\$15,000 to \$34,600</u> \$16,500 to \$20,600	As arranged	As arranged	Various
<u>Leasehold Improvements</u> (6, 18)	<u>\$15,500 to \$380,500</u>	<u>As arranged</u>	<u>As arranged</u>	<u>General Contractor</u>
CAD Fee/Engineering & Architect Fees & <u>Pre-Construction Coordination</u> (7, 18)	<u>\$4,700 to \$69,200</u> \$3,200 to \$14,500	As arranged	As arranged	Franchisor, <u>Approved Vendor</u> , and Architect /Engineer
Trade Dress Items and Finish Out (8, 18)	<u>\$33,000 to \$55,000</u> \$25,000 to \$46,000	As arranged	As arranged	Approved Vendors
Utility, phone, real estate and real estate lease deposits (9, 18)	<u>\$5,900 to \$242,600</u> \$5,000 to \$95,000	As arranged	As arranged	Landlord and Local Providers
Insurance initial payment (10, 18)	<u>\$1,000 to \$15,000</u> \$4,000 to \$19,450	As arranged	As arranged	Insurance Provider
Printing, Marketing and Advertising (11, 18)	\$10,000	As arranged	As arranged	Various

TYPE OF EXPENDITURE (notes)	ESTIMATE AMOUNT OR LOW-HIGH RANGE	METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS TO BE MADE
Wholesale Goods/Inventory to begin operating (12, 18)	\$20,000	Lump sum	Upon ordering	Franchisor and/or Approved Vendor
Professional Fees (13, 18)	\$1,000 to \$10,000 \$1,100 to \$11,000	As arranged	As arranged	Various
Additional funds during startup period, such as for first three months, initial operations, and working capital (14, 18)	\$35,500 to \$54,500 \$71,000 to \$109,000	As arranged	As arranged	N/A
Out-of-Pocket initial training expenses, including travel and lodging (15, 18)	\$600 to \$3,500	As arranged	As arranged	Airlines, taxis, hotels, restaurants, etc.
<u>SBA Loan Packaging Fees and Closing Costs (19)</u>	\$0 to \$12,000 \$0 to \$22,500	<u>As Arranged</u>	<u>As Arranged</u>	<u>Third Party Lender</u>
<u>Subtotal</u>	\$832,850 \$314,150 to			
Leasehold Improvements (6, 18)	\$15,500 to \$380,500 \$25,500 to \$526,362	As Arranged	As Arranged	General Contractor
Totals (2, 16, 17, 18, 19)	\$261,250 to \$869,500 \$339,650 to \$1,359,212			

Note 1: Estimates are based on a single unit.

Note 2: You must pay us an initial franchise fee of ~~\$12,950 for an express studio model which is~~

~~5 saunas only or \$19,950 for a location with more than 5 saunas (traditional studio). These fees are non-refundable. In some states, the initial franchise fee will be placed in an escrow account until the studio opens.~~

Note 3: These costs relate solely to equipment costs for equipment and other items paid to or collected by Franchisor or its Affiliates. All studios are required to have the minimum required equipment mix, with studios ranging from 6 saunas to 10 saunas. The low estimate represents The equipment mix for a 65 saunas HOTWORX studio, included in the low range, does not include optional equipment such as the Nautilus cable machine. The high estimate includes the cost of optional equipment. represents 8 saunas. The cost of equipment that must be purchased from Franchisor or an Affiliate ranges from ~~\$110,400~~ ~~95,000~~ to ~~\$184,500~~ ~~155,000~~ depending on the number of saunas in your studio. This amount does not include the cost of taxes. You must check with your state to determine what taxes are due. The foregoing range also includes the cost of the monthly tech fee and POS fee that is paid to Franchisor or an Affiliate. This amount does not include the cost for shipping and installation or taxes. You must check with your state to determine what taxes are due. Our estimate for equipment assumes you buy all the equipment. If you choose not to buy your equipment, you may choose to lease the equipment through a third-party lender, if leasing is available to you. Item 7 figures do not include any expenses related to your leasing arrangements with third parties.

DESCRIPTION (notes)	ESTIMATE AMOUNT OR LOW-HIGH	METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS TO BE MADE
SBA Financing & Loan Packaging Fees	\$0—\$12,500	As arranged	As arranged	Third-party lender

~~NOTE: This range assumes you will pursue financing and lending.~~

Note 4: Other required studio equipment, software and furniture includes such things as vending machine, lobby ~~table~~~~chairs~~, security package, Quickbooks software, uniforms, televisions, music vendor package, cameras, and hand dryers. These items relate to specific equipment, software and furniture that must be purchased through an approved vendor as Franchisor designates. Certain equipment requires an ongoing subscription fee, which is to be paid directly to approved vendor. This amount does not include the cost for shipping, installation, or taxes.

Note 5: Other required studio components include various items required for Franchisee’s studio per HOTWORX’s operational checklists. Franchisees may purchase these items from various vendors. These items include but are not limited to computer and POS equipment, exterior signage, water fountain, washer and dryer, defibrillator, ~~speaker system,~~ retail display items, and office and

maintenance supplies. ~~Certain equipment requires an ongoing subscription fee, which is to be paid directly to approved vendor. This amount does not include the cost for shipping, installation, or taxes.~~

Note 6: Leasehold improvement costs, franchisee’s out of pocket costs for leasehold improvements and permitting, vary greatly amongst Franchisees. This estimated range will vary depending on local economic conditions; the local market for our type of franchise; the location, necessary leasehold improvements, ~~and~~ landlord participation and condition of location space, including whether electrical and HVAC component upgrades are necessary. ~~This estimate also includes the cost of permits.~~ The high estimate in Table 1 is based on a single studio that reported the highest out of pocket construction costs of \$292,000 and permit costs of \$5,400. a studio that did not receive any tenant improvement allowance. The ~~franchisee reported~~ range of negotiated tenant improvement allowance for leases executed in 2023~~2~~ as reflected in Table 1 was \$0 - \$280,000~~17,000~~. The high estimate in Table 2 is based on a studio in New York, New York that reported the highest out of pocket construction costs of \$440,862 and permit costs of \$85,482. a New York studio that received \$90,000 in tenant improvement allowance. The ~~franchisee reported~~ range of negotiated tenant improvement allowances for California and New York leases executed in 2023~~2~~ as reflected in Table 2 was ~~\$20,000~~ - ~~\$155,000~~~~90,000~~. In 2023, Franchisees reported out of pocket construction and permitting costs for the following regions ranging from low to high as follows:

Region	Low	High
<u>Atlantic Coast (i)</u>	<u>\$25,500</u>	<u>\$526,344</u>
<u>Midwest (ii)</u>	<u>\$22,145</u>	<u>\$261,200</u>
<u>Southeast (iii)</u>	<u>\$17,412.31</u>	<u>\$297,140</u>
<u>South (iv)</u>	<u>\$0</u>	<u>\$201,049</u>
<u>Southwest (v)</u>	<u>\$15,400</u>	<u>\$241,805.26</u>
<u>Northwest (vi)</u>	<u>\$127,715</u>	<u>\$242,452</u>
<u>Great Plains (vii)</u>	<u>\$0</u>	<u>\$127,000</u>
<u>West (viii)</u>	<u>\$39,568</u>	<u>\$245,459</u>
<u>California (ix)</u>	<u>\$109,500</u>	<u>\$295,800</u>

Note (i): This region consists of the following states: CT, DE, MA, MD, ME, NC, NH, NJ, NY, PA, RI, SC, VA, VT, WV. No data was reported from CT, DE, ME, NH, RI or VT in 2023.

Note (ii): This region consists of the following states: IA, IL, IN, KY, MI, MN, MO, WI, OH.

Note (iii): This region consists of the following states: FL and GA.

Note (iv): This region consists of the following states: AL, AR, LA, MI, TN. No data was reported from AR in 2023.

Note (v): This region consists of the following states: OK and TX.

Note (vi): This region consists of the following states: AK, ID, OR, WA. No data was reported from AK in 2023.

Note (vii): This region consists of the following states: KS, MT, ND, NE, SD, WY. No data was reported from KS, MT, ND, or WY or in 2023.

Note (viii): This region consists of the following states: AZ, CO, HI, NM, NV, UT. No data was reported from HI in 2023.

Note (ix): This region consists of CA.

Your out-of-pocket leasehold improvement costs may be less if your landlord provides you with a tenant improvement allowance. You will likely need to negotiate with your landlord and contractors to keep your costs within budget. For example, a landlord who is unwilling to make actual landlord improvements or contribute substantially to tenant improvement allowance may consider a lower rental rate as an alternative. - Franchisor reserves the right to reject proposed lease sites if the estimated build out exceeds the stated estimate. These figures do not include costs for real estate, building permits or financing if you build or purchase the land and build your studio instead of rent a commercial space.

Note 7: The cost for CAD is \$1,200 per design for a studio location. If franchisee requests more than one revision to the initial CAD design, there will be an additional fee of \$100 per revision. Some states may require review of studio plans by an architect or engineer. In this event, in addition to the \$1,200 CAD fee that shall be paid to the Franchisor, the Franchisee will incur additional architectural and/or engineering fees to be paid by its selected architectural/engineering professional. This estimated range will vary depending on the geographic location and condition of location space and fees or rate structure of your selected engineering and/or architectural professional. The high range also contemplates that, for an additional charge, Franchisor may offer an optional Approved Vendor for the purposes of coordination of contractor bids, development of architectural/engineering plans, and coordination of permitting process.

Note 8: Trade Dress and Finish Out items consist of millwork (including service stand and retail display), lighting, flooring and interior branding components/signage.

Note 9: Some landlords may require a deposit of first and last month's rent and/or a percentage of additional monthly charges. Deposits on utilities will also vary. Deposits will vary based on the market rental rates for your market and what you are able to negotiate with your landlord. This rent estimate is based on you Franchisor recommends that you negotiate for free rent for the approximately at least five (5) months between signing a lease and opening. If you are unable to negotiate for said free rent and/or you do not comply with your development deadlines, then your real estate cost will be higher.

Note 10: At a minimum, you will need to obtain Commercial General Liability, broad form contractual, property liability and professional liability with annual limits of \$1 million per occurrence and \$3 million annual aggregate. You will also need business interruption coverage with annual limits of at least \$300,000. You will also need both builder's risk coverage and tenant improvement and betterment coverage, each sufficient to cover the cost of build-out and any landlord participation. You will also need to obtain contents coverage with annual limits of up to \$325,000~~265,000~~ depending on the number of saunas purchased and size of studio. Flood contents coverage is highly recommended but not required by Franchisor. The estimates are based on franchisee reported initial insurance payments. The low range is based upon premium paid on an installment basis. The high range is based on an annual premium~~This is an annual estimate, though~~

~~whether premiums are paid annually or in installments will depend on the insurance provider.~~ This estimate does not include insurance premiums or limits for worker's compensation and/or automobile liability insurance. This range is an estimate only and may vary depending on your location and other rating factors considered by the insurance provider. You must add us and our [Affiliates](#) to all insurance contracts as additional insured(s) under that respective insurance policy, the cost of which will be paid by you.

Note 11: You are required to invest this amount in marketing during your pre-sale and through the initial opening of your studio. [These amounts include the amounts of marketing software including set-up and monthly fees.](#) You may spend additional amounts with Franchisor approval. This estimate also includes an allocation for initial printed supplies. Should the duration of your pre-sale exceed our standard pre-sale timeline, you may spend more than this estimated amount due to monthly local advertising budget requirements.

Note 12: You will be required to purchase a specified amount of wholesale goods for the initial inventory of products to be offered for sale based on the size of your studio. A selection of Franchisor's proprietary branded products and other branded products must be stocked.

Note 13: These fees may include inspection fees, occupational licenses, financing administrative and/or application fees, and legal fees associated with business entity set-up and contract review.

Note 14: You will need additional funds during the start-up phase of your business to pay employees, purchase supplies and pay other expenses, such as monthly rent [and the monthly fees described in Item 6 of this disclosure document.](#) ~~POS fees, and SAIL fee.~~ We estimate the start-up phase to be three months from the date you open for business. These amounts do not include any estimates for debt service or amounts for ~~the any~~ owner(s) salary or draw. ~~You must also pay the Royalty Fees and other related fees described in Item 6 of this disclosure document.~~ [We have relied on the average monthly costs incurred by first-year U.S. franchisee outlets to compile these estimates.](#) These figures are estimates, and we cannot assure you that you will not have additional expenses. Your actual costs will depend on factors like your management skills, experience, ~~and~~ business acumen, [local economic conditions, the local market for your services, the prevailing wage rate, competition, and the sales level reached during the initial period.](#) [Additional funds needed for the start-up phase for California and New York studios are estimated to be higher than the amount for studios in other states due to their higher business costs.](#) ~~You should base your estimated start-up expenses on the anticipated costs in your market and consider whether you will need additional cash reserves. These figures are based on our affiliate's experience operating a similar studio in Oxford, Mississippi and Marrero, Louisiana. We recommend that you have additional funds available to fund your studio. You should base your estimated start-up expenses on the anticipated costs in your market and consider whether you will need additional cash reserves.~~

Note 15: This includes expenses associated with attending training as well as travel and accommodations for the required on-site training. Additionally, these include expenses associated with certain technology utilized, such as the Google Workspace platform used for training and communication.

Note 16: Franchisor relied on its experience to compile these estimates. You should review these

figures carefully with a business advisor before making any decision to purchase the franchise.

Note 17: If you sign a Single Unit Franchise Agreement, your initial investment for your first studio should be within the range disclosed in this Item 7 chart. The low range Total represents the sum of the lowest reported figures for each Item 7 category while the high range Total represents the sum of the highest reported figures for each category. Regional costs will be made available to a prospective franchisee upon reasonable request. The Initial Franchise Fee for each subsequent studio is set forth in Item 5. You also should be aware that your initial investment for your second and subsequent studios likely will be higher than the above estimates for your first studio due to inflation and other economic factors that may vary over time.

Note 18: All payments are non-refundable. In exceptionally limited circumstances and in its sole discretion, Franchisor may grant financing to the Franchisee for various purposes associated with these investments. Neither Franchisor nor its affiliates provide financing for any part of these investments.

Note 19: In the event that you pursue financing and lending through the United States Small Business Administration (“SBA”), you may incur packaging fees and closing costs up to the high range. These figures do not include the amount of monthly loan payments.

Area Development Agreement
Additional Studio (~~Express or Traditional Model~~)

Table 1: Exclusive of California and New York Franchise Outlets

DESCRIPTION	ESTIMATE AMOUNT OR LOW-HIGH RANGE	METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS TO BE MADE
Area Development Fee for One Additional HOTWORX® Studio	\$ 12,950 —\$15,000	Lump sum	Upon execution of Area Development Agreement	Franchisor
Investment for One HOTWORX® studio	\$ 238,600 to \$857,800 \$248,300 — \$678,550	See previous table describing costs for single HOTWORX® Studio, excluding initial franchise fee.		

DESCRIPTION	ESTIMATE AMOUNT OR LOW-HIGH RANGE	METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS TO BE MADE
TOTAL ESTIMATED INVESTMENT for One Additional HOTWORX® studio	\$253,600 to \$872,800 \$261,250 -\$693,550			
		This estimate includes the cost of starting and operating your one additional HOTWORX® studio, as disclosed in the prior table. This figure does not include the costs you will incur when and if you exercise your right to develop and operate additional studios. All payments are non-refundable. Neither Franchisor nor its affiliates provide financing for any part of these investments.		

Area Development Agreement
Additional Studio (Express or Traditional Model)

Table 2: California and New York Franchise Outlets

DESCRIPTION	ESTIMATE AMOUNT OR LOW-HIGH RANGE	METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS TO BE MADE
Area Development Fee for One Additional HOTWORX® Studio	\$12,950 —\$15,000	Lump sum	Upon execution of Area Development Agreement	Franchisor
Investment for One HOTWORX® Studio	\$319,700 to \$1,339,262 \$248,300 -\$849,550	See previous table describing costs for single HOTWORX® Studio, excluding initial franchise fee.		

DESCRIPTION	ESTIMATE AMOUNT OR LOW-HIGH RANGE	METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS TO BE MADE
<p>TOTAL ESTIMATED INVESTMENT for One Additional HOTWORX® studio</p>	<p>\$334,700 to \$1,354,262 \$261,250—\$864,550</p>			<p>This estimate includes the cost of starting and operating your one additional HOTWORX® studio, as disclosed in the prior table. This figure does not include the costs you will incur when and if you exercise your right to develop and operate additional studios. All payments are non-refundable. Neither Franchisor nor its affiliates provide financing for any part of these investments.</p>

~~NOTE: The low estimate is based on an express studio model while the high estimate is based on a traditional studio model as described above, specifically Notes 2 and 3.~~

Item 8
RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

You must purchase goods and materials which adhere to our minimum standards and requirements. These items include but are not limited to start-up equipment (including all HOTWORX® units and computer hardware and software), inventory, interior and exterior signs, insurance, grand opening marketing, on-going marketing, printing, products required for operation, and supplies.

We formulate and modify our standards and specifications based upon our experience of operating businesses of the nature we are franchising. Our standards and specifications are described in the Franchise Agreement, the Operational Systems Checklist, and other written documents.

We issue our specifications only to our franchisees, and to certain approved and designated suppliers or vendors. We do not issue our standards and specifications to anyone else. We may change the standards and specifications which apply to the development and/or operation of the studio, including standards and specifications for signs, furnishings, supplies, inventory and equipment, by providing you written notice of the change or by publishing amendments to the Operational Systems Checklist and/or applicable policy. You may incur an increased cost to comply with these changes at your own expense; however, no change will materially alter your fundamental rights under the Franchise Agreement.

You must purchase equipment and supplies from designated and approved suppliers. Approved and designated suppliers are identified in the Operational Systems Checklist or in a separate Approved Vendor List. They may include us, our affiliates, or unaffiliated third-party suppliers. We, and our designated and approved suppliers, are currently the only approved suppliers for HOTWORX® products and other branded materials. A purchasing or distribution cooperative does not exist. You may not install any unauthorized equipment at any time. You may not use unauthorized videos for any purpose inside your studio or saunas at any time.

For other items, we may approve a previously unapproved supplier if we are satisfied that the proposed supplier meets our then-current standards and specifications. Our criteria for supplier approval are not available to franchisees. If you wish to purchase any item from a supplier whom we have not yet approved, you must provide us the name, address, email address and telephone number of the proposed supplier, a description of the item you wish to purchase, and purchase price of the item, if known. At our request, you must provide us, for testing purposes, a sample of the item you wish to purchase. Although not obligated under the Franchise Agreement, we will make a good faith effort to notify you of supplier approval or disapproval within 30 days after we receive all materials required to be provided to us. If we fail to respond to your request, it means we have not approved the supplier. There is no fee for this process, although you are solely responsible for the cost of procuring any samples that we may require. We may revoke our approval of particular suppliers when we determine that such suppliers no longer meet our System standards. Upon receipt of notice of such revocation, you may no longer purchase from such supplier.

Despite the existence of the approval process, Franchisor reserves the right to be the only approved supplier of a product or service. In this situation, you will be required to purchase the product or service from Franchisor and no one else. Franchisor will make best efforts to provide quality

products at fair market price(s). We may, but are not required, to negotiate purchase arrangements with suppliers, including price terms, for the benefit of franchisees. The price you will pay for the product or service will be the price then in effect, and HOTWORX® will make a profit on the sale of the product. Our officers Stephen Smith, Nancy Price and April Grandbouche have an ownership interest in HWX, LLC.

We reserve the right to derive revenue from your purchases from us. We may also derive revenue when you purchase items from our approved vendors. In the latter instance, the amount of our revenue is determined on a percentage basis. In the year ending December 31, 2023~~2~~, our revenues from franchisee purchases, including vendor incentives and royalties and referral payments was ~~\$8,770,258~~ or ~~2015%~~ of our total revenues of ~~\$40,743,650~~~~43,649,325~~. You will not receive any material benefit from purchasing from or use of approved or designated suppliers. HWX, LLC is the distributor of HOTWORX® infrared saunas and is the supplier for various HOTWORX® products. In fiscal year 2023~~2~~, HWX, LLC had ~~\$29,334,979~~ ~~34,587,750~~ in total revenues, of which ~~948%~~ was derived from sales or leases to HOTWORX Franchisees. HWX, LLC's total revenue figure is based on unaudited financials. HOT TECH is the vendor for the required licensed software for the POS system. In fiscal year 2023~~2~~, HOT TECH had ~~\$2,159,184~~ ~~1,245,016.75~~ in total revenue, of which ~~9761%~~ was derived from sales or leases to HOTWORX Franchisees.

We anticipate that the required purchases from approved suppliers will constitute the substantial majority of all purchases by you for the development and operation of the studio. We estimate that up to ~~4851%~~ to ~~678%~~ of your initial investment to establish, and open the studio will be applied to required purchases, and that approximately thirty-~~foursix~~ percent (~~346%~~) of all costs necessary to operate the studio after opening will be applied to required purchases and leases. You will not receive any material benefit from purchasing from approved or designated suppliers.

The studio must be equipped, decorated and supplied in compliance with our specifications, which will be made available to you. If you acquire or lease a site for the studio (either by signing a lease or purchasing real estate), you must employ a contractor to construct the studio and to complete all improvements in accordance with approved plans. You must also employ licensed and professionally qualified individuals to modify such plans to conform to local legal requirements and specifications. You will be responsible for all costs connected with construction, including architectural plans and seals, leasehold improvements, fixtures and signs, and for all costs related to compliance with state or local ordinances, rules and regulations. You must schedule a live video walk-through and provide digital camera photographs via e-mail of the finished build-out of the inside and outside of the studio prior to opening.

Insurance

You must obtain and maintain at your sole expense at all times during the term of your Franchise Agreement all such insurance coverage as Franchisor from time to time shall specify, and/or any other insurance coverage required by law. The insurance you are required to obtain and maintain includes but is not limited to Comprehensive General Liability insurance with complete operations coverage, broad form contractual liability coverage, property liability and professional liability coverage all with current annual limits of \$1,000,000 per occurrence and annual aggregate limits of \$3,000,000. -You will also need business interruption coverage with annual limits of at least \$300,000. -You will also need both builder's risk coverage and tenant improvement and betterment

coverage each sufficient to cover the cost of build-out and any landlord participation. You will also need to obtain contents coverage with annual limits of \$~~325,000~~265,000 depending on the number of saunas purchased and size of studio. Flood contents coverage is highly recommended but not required by Franchisor. You will also be required to purchase worker's compensation coverage and any other insurance required by law. Insurance must be written through an approved vendor. Before you make a decision to purchase the franchise, you should confirm that insurance is available for a studio of the type you intend to operate, given that you will not staff the premises at all times. You must add HOTWORX® Franchising, LLC and our Affiliates to all insurance contracts as an additional insured under the insurance policies, the cost of which is to be paid by you.

**Item 9
FRANCHISEE'S
OBLIGATIONS**

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

OBLIGATION	SECTION IN AGREEMENT	DISCLOSURE DOCUMENT ITEM
a.) Site selection and acquisition lease	Section 2 of Franchise Agreement	Item 11
b.) Pre-opening purchases/leases	Sections 2, 6, 7, 8 and 9 of Franchise Agreement	Items 5, 6, 7 and 8
c.) Site development and other pre-opening requirements	Sections 2, 6, 7, 8, 9 and 10 of Franchise Agreement	Items 5, 6, 7, 8 and 11
d.) Initial and ongoing training	Sections 7 of Franchise Agreement	Items 7 and 11
e.) Opening	Section 8 of Franchise Agreement	Items 7, 8 and 11
f.) Fees	Sections 10 and 16 of Franchise Agreement; Section 1 of the Area Development Agreement	Items 5, 6 and 7
g.) Compliance with standards and policies/Operating Manual	Sections 4, 5, 9, 10, 12, and 13 of Franchise Agreement; Section 8 of the Area Development Agreement	Items 8, 9, 11, 16 and 17
h.) Trademarks and proprietary information	Sections 11 and 12 of Franchise Agreement	Items 13 and 14

OBLIGATION	SECTION IN AGREEMENT	DISCLOSURE DOCUMENT ITEM
i.) Restrictions on products/services offered	Section 9 of the Franchise Agreement	Items 8 and 16
j.) Warranty and customer service requirements	Section 9.1.3 of the Franchise Agreement	Item 6
k.) Territorial development and sales quotas	Sections 3 and 8 of the Franchise Agreement	Item 12
l.) Ongoing product/service purchases	Section 9 of Franchise Agreement	Items 7, 8 and 16
m.) Maintenance, appearance and remodeling requirements	Sections 4, 6 and 22 of Franchise Agreement	Items 7, 8 and 11
n.) Insurance	Section 14 of Franchise Agreement	Items 6, 7 and 8
o.) Advertising / Marketing	Sections 8, 10 and 13 of Franchise Agreement	Items 6, 7 and 11
p.) Indemnification	Section 19 of Franchise Agreement and Exhibits 5 and 7 to the Franchise Agreement	Item 6
q.) Owner's participation/management/staffing	Section 9 of Franchise Agreement	Item 15
r.) Records/reports	Section 15 of Franchise Agreement	Items 6 and 11
s.) Inspections/audits	Sections 7 and 17 of Franchise Agreement	Item 6 and 11
t.) Transfer	Section 21 of Franchise Agreement; Section 5 of Area Development Agreement	Items 6 and 17
u.) Renewal	Section 4 of Franchise Agreement	Item 17
v.) Post-termination obligations	Sections 19 and 24 of Franchise Agreement and Exhibits 5 and 7 to the Franchise Agreement	Item 17

OBLIGATION	SECTION IN AGREEMENT	DISCLOSURE DOCUMENT ITEM
w.) Non-competition covenants	Section 18 of Franchise Agreement and Exhibit 6 to the Franchise Agreement	Item 17
x.) Dispute resolution	Section 25 of Franchise Agreement; Sections 11 and 12 of the Area Development Agreement	Item 17
y.) Other; Personal Guaranty of Franchisee's Obligations (Note 1)	Section 27 of Franchise Agreement; Exhibit 3 to Franchise Agreement; Personal Guaranty of Area Development Agreement	Items 1 and 15
z) Other – Compliance with applicable law	Section 9 of Franchise Agreement	Not applicable

Note 1: All partners in a limited partnership, shareholders in a corporate franchisee or members and managers in a limited liability company franchisee must sign a Confidentiality and Non-Competition Agreement (Exhibit 6 of the Franchise Agreement) and Guaranty Agreement (Exhibit 3 of the Franchise Agreement). In addition to all franchisees, all domestic partners and spouses who do not sign the Franchise Agreement must sign a Confidentiality and Non-Competition Agreement (Exhibit 6 of the Franchise Agreement) and a Guaranty Agreement (Exhibit 3 of the Franchise Agreement). You recognize that Exhibit 6 grants the Franchisor the right to “in its sole discretion to reduce the scope of any covenant set forth in this Agreement, or any portion thereof, without my consent, effective immediately upon receipt by me of written notice thereof; and I agree to comply with any covenant modified.” (Exhibit 6 to Franchise Agreement).

Additional disclosures for Item 9 are required by some states and are noted in Exhibit [KJ](#) attached hereto.

**Item 10
FINANCING**

~~We do not offer direct or indirect financing. We do not guarantee your note, lease or obligation.~~

DIRECT FINANCING

Table 10.1: Direct Financing Arrangement

<u>Item Financed</u> <u>(Note 1)</u>	<u>Source of</u> <u>Financing</u>	<u>Down</u> <u>Payment</u>	<u>Amount</u> <u>Financed</u> <u>(Note 3)</u>	<u>Term</u> <u>(Note</u> <u>4)</u>	<u>Interest</u> <u>Rate</u> <u>(Note 5)</u>	<u>Period</u> <u>of</u> <u>Repaym</u> <u>ent</u> <u>(Note 6)</u>	<u>Pre-</u> <u>pay</u> <u>Penalty</u> <u>(Note</u> <u>7)</u>	<u>Security</u> <u>Required</u> <u>(Note 8)</u>	<u>Liability</u> <u>Upon</u> <u>Default</u>	<u>Loss of</u> <u>Legal</u> <u>Right on</u> <u>Default</u> <u>(Note 9)</u>
<u>Other</u> <u>Financing</u> <u>(Notes 1, 2)</u>	<u>Franchisor</u>	<u>None</u>	<u>Up to</u> <u>\$65,000</u>	<u>3-6</u> <u>months</u>	<u>7% per</u> <u>annum</u>	<u>Varies</u>	<u>None</u>	<u>Assets and</u> <u>Equipment</u> <u>of Franchise</u> <u>Outlet &</u> <u>Personal</u> <u>Guaranty</u>	<u>Acceleration</u> <u>of amounts</u> <u>and accrued</u> <u>interest due;</u> <u>obligation to</u> <u>pay</u> <u>attorney's</u> <u>fees incurred</u> <u>in enforcing</u> <u>Franchisor's</u> <u>rights</u>	<u>Confession</u> <u>of Judgment</u>

Note 1 In exceptionally limited circumstances and in its sole discretion, Franchisor may grant financing to the Franchisee for various purposes associated with its franchise license.

Note 2 The financing arrangement is evidenced by a promissory note. A sample copy of the promissory note containing the terms and conditions of this financing arrangement is included at Exhibit J. This is a sample document and any agreement between Franchisor and franchisee is subject to change. The terms and conditions may vary. The franchisor does not, and does not intend to, sell, assign, or discount to a third party all or part of the financing arrangement.

Note 3 The applicable amount financed will be stated in the promissory note.

Note 4 The applicable term will be stated in the promissory note.

Note 5 The applicable interest rate will be stated in the promissory note.

Note 6 The applicable monthly payment amount will be stated in the promissory note.

Note 7 Franchisee may prepay the debt without penalty.

Note 8 The exact collateral will be stated in the promissory note. Franchisee will be obligated to execute a personal guaranty that is the same or similar to that which is attached to the Franchise Agreement.

Note 9 The promissory note requires franchisee to waive defenses or other legal rights as the promissory note contains a confession of judgment.

INDIRECT FINANCING

Third-Party Financing Lead Sources

Franchisor has arrangements with two third-party financing lead sources who provide services to help secure third-party financing for franchisees. These arrangements are described below. Franchisor does not participate in any underwriting or lending determination with respect to any of the financing options made available by the third-party financing lead sources listed below or by third-party lenders.

Franchisees have the option, but not the obligation, to engage with third-party financing lead sources, Business Finance Depot or Guidant Financial. Through the use of these third-party financing lead sources, Franchisee may be able to obtain third-party financing if they qualify. Franchisor is not directly affiliated with Guidant Financial or Business Finance Depot.

Guidant Financial

Guidant Financial offers a Roll Over for Business Start-up service that allows franchisees to use their retirement funds to start or fund their franchise outlet without incurring tax penalties or getting a loan. Guidant charges franchisees a \$4,995 fee for this service which includes filing franchisee's business entity, designing a company 401(k) plan, helping franchisee roll all or a portion of franchisee's existing retirement funds from its current custodian account to the new 401(k), and providing franchisee with a tax attorney consultation to review the transaction. Guidant provides ongoing annual administration to the 401(k) plan for \$149 per month. Franchisor has a separate agreement with Guidant Financial wherein Franchisor is paid a referral fee for each franchisee that engages in Guidant Financial's 401(k) roll over service.

Guidant Financial offers an SBA Loan Packaging service to help franchisees seeking an SBA loan. Guidant requires a \$2,500 consulting fee. Guidant uses a loan application analysis to determine whether a franchisee is qualified to receive an SBA loan

Business Finance Depot

Business Finance Depot offers an SBA loan packaging service to help franchisees seeking an SBA loan. Franchisor has a separate agreement with Business Finance Depot wherein Franchisor is paid a referral fee for each franchisee that engages in Business Finance Depot's SBA loan packaging service.

Business Finance Depot offers a service to help franchisees seeking an equipment lease. Franchisor has a separate agreement with Business Finance Depot wherein Franchisor is paid a referral fee for each franchisee that engages in Business Finance Depot's equipment lease service.

Remarketing Arrangement

North Star Leasing

Franchisor currently has a remarketing/repurchase agreement with third-party lender, North Star Leasing, wherein Franchisor agrees to assist with remarketing of collateral that is repossessed in

the event that a franchisee defaults on an equipment lease obtained through North Star Leasing. Upon franchisee's default of its equipment lease with North Star Leasing, Franchisor agrees to attempt to sell the entire business to a new franchisee. In the event the foregoing is not possible, HOTWORX will attempt to repossess the equipment collateral for the purposes of resale. If such equipment collateral is sold at an amount equal to or greater than the net book value owed, the sale price may include sales commission and remarketing expenses of ten percent (10%) of the sale price to offset any costs incurred by Franchisor to repossess and remarket the equipment. If Franchisor sells the collateral for less than the net book value, Franchisor may be responsible to lender for the difference. Franchisor is not directly affiliated with North Star Leasing and does not participate in any underwriting or lending determination with respect to any of the financing options made available by North Star Leasing.

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

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

The obligations that we will perform before the Franchised Business opens:

Before the opening of your HOTWORX® studio, Franchisor (or our designees) will:

- Approve your site. Generally, Franchisor will not own the premises that you ultimately lease or purchase to operate your site. We must approve the site that you select to operate your HOTWORX® studio. Factors that Franchisor considers in approving site selections include: population density and demographics of submarkets, retail composition, co-tenancy and viability, location, price per square foot, visibility, signage, ingress, egress and competition. Upon submission of a site proposal, Franchisor will accept or reject the site within a reasonable time. You will have 120 days to locate a suitable site and execute a lease from the time you sign the Franchise Agreement. If you and Franchisor cannot agree on a site, then Franchisor may consider granting an extension to your site selection deadline. (Section 2 of the Franchise Agreement). Should Franchisor reject Your proposed site, You may continue to pursue and propose other sites provided You are in compliance with all other terms and conditions of the Franchise Agreement and Your development schedule. However, if you are not in compliance with both or either the Franchise Agreement or Your development schedule, Franchisor reserves the right to terminate the Franchise Agreement and Your initial fee will be forfeited.
- Designate your territory. Once a site for your studio is selected and approved by Franchisor, Franchisor will provide you with a map of your territory. [Franchisor will determine the size of your protected territory at Franchisor's sole discretion.](#) The map will become an exhibit of your Franchise Agreement. (Section 3 of the Franchise Agreement). Under the Area Development Agreement, the location and territories of future units will be subject to Franchisor approval, and Franchisor's then-current standards of sites and territories will apply. If you exercise your option to develop a HOTWORX studio under an Area Development Agreement, the terms of the then-current Franchise Agreement and Franchisor policies and standards will govern the designation of your territory and location of such a subsequent studio. Franchisor's approval for the location and territory of each subsequent studio is required.
- Provide a Franchise Performance Coach. Franchisor will provide you with a Franchise Performance Coach who will conduct virtual training for your first studio (Section 7 of the Franchise Agreement) and you will be required to attend 1 week of onsite training at an approved location, which may be conducted virtually if necessary and approved by Franchisor. You may request an onsite visit to your location which you will then be responsible for all expenses including \$200 per day for a consultant plus travel and lodging. (Section 7 of the Franchise Agreement). In the event that you acquire an existing location pursuant to a sale or transfer, you will be required to undergo training, including, but not limited to, shadow training and guidance on the transfer process, all of which may be conducted virtually if necessary and approved by Franchisor. [In this event, you will be required to complete the transfer checklists and opening and](#)

[onboarding checklists](#). In this event, you will [also](#) be responsible for all expenses, including \$200 per day for consultant plus travel and lodging. (Section 7 of the Franchise Agreement). Each year on the anniversary of your studio's soft opening, your Franchise Performance Coach will perform a mandatory video inspection to ensure your on-going compliance with Franchisor's policies. Should the Franchise Performance Coach determine that your studio is non-compliant [and the non-compliance is a curable event pursuant to the Franchise Agreement](#), you will have thirty (30) days to cure. (Sections 17.2 and 23.3 of the Franchise Agreement).

- [Provide access to Operational Systems Checklist](#). Franchisor will allow you to view our Operational Systems Checklist online, which we may amend from time to time. This Operational Systems Checklist is confidential and the property of the Franchisor. (Section 5 of the Franchise Agreement).

- [Provide Training](#). Provide you and your manager(s) with virtual training and [online studio HOTWORX® University Online Franchise and Manager Curriculum](#) for each location that you open. (Section 7 of the Franchise Agreement).

- [Set Membership Pricing](#). Franchisor will set the minimum and maximum prices at which you must sell products and services. Franchisor provides a process for franchisees to request and Franchisor to consider these requests to vary from the set maximum price. These requests may be made before and/or after the opening of your outlet. Approval or denial of such requests is left to Franchisor's discretion alone.

Our obligations during the operation of the Franchised Business:

During the ongoing operation of your HOTWORX® studio, we will:

- Allow you to operate under our Proprietary Marks and proprietary System. (Section 11 of Franchise Agreement).

- Provide such general advisory assistance and support deemed helpful by Franchisor in the areas of marketing, operations and promotion of the studio. (Section 13 of Franchise Agreement).

- Continue our efforts to ensure that you establish and maintain high standards of quality, professionalism, cleanliness, safety, customer satisfaction and service. A Franchise Performance Coach will meet with you on the standards of your studio periodically, usually at least once every calendar quarter [or more often as Franchisor determines in its sole discretion](#) (Section 17 of Franchise Agreement).

- Provide you with access to view updates, revisions and amendments to the Operational Systems Checklist. (Section 5 of Franchise Agreement).

- Provide you with access to additional training programs and seminars at our discretion, [a](#)Almost all of which will be provided through online and/or video technology. (Section 7 of Franchise Agreement).

- Hold annual conferences for your benefit. There is an annual conference/convention fee per person and you must pay all your travel and lodging expenses. Fees range from \$590 - \$790 and include registration for 2 attendees but do not include the cost of travel, lodging, food or entertainment. These conferences are mandatory, and they are held in New Orleans, Louisiana or at a location designated by Franchisor. Fees that are unpaid fourteen (14) days prior to convention will be automatically drafted. (Section 7 of Franchise Agreement).
- Periodically, we may provide you with a secret shop/inspection analysis. (Section 7 of Franchise Agreement).

Time for Opening.

You are required to open your studio within 275 days from your franchise agreement's effective date unless we agree in writing to extend the period. If you cannot open within 275 days due to vandalism, fire, act of God or other circumstances beyond your control, you must request an extension from Franchisor immediately, which extension will not be unreasonably withheld. It is your sole responsibility to ensure that your studio opens within 275 days of the effective date of this Agreement. Factors that may affect your development schedule include availability of suitable leases, financing, and issues related to permits and zoning. (Section 8 of Franchise Agreement).

It is your sole responsibility to ensure your studio complies with local ordinances, building codes and obtains any necessary permits.

National Advertising Fund.

You will not be required to participate in any national advertising fund.

Advertising Program.

Franchisor is not required to spend any amount on or to conduct advertising in any market, including your defined territory. You are required to spend \$2,000 or 10% of gross revenue monthly on local advertising, whichever is greater. Your required monthly spending will decrease to 5% of your gross revenue once your NET EFT reaches a monthly minimum of \$30,000.00 USD. Should your monthly NET EFT drop below \$30,000.00 USD, the monthly spend will increase to 10% of gross revenue or \$2,000 per month, whichever is greater. (Section 13 of Franchise Agreement).

Marketing Guidelines Policy.

As a franchisee, you must follow certain branding policies and procedures for all marketing and advertising efforts. To get approval for advertising that you prepare, you must submit drafts of any proposed materials to us prior to distribution. A strong and consistent visual identity is required. Brand guidelines provide a reference to establish the details for creating and maintaining an effective brand presence. All marketing or marketing concepts, which you develop and are approved by us become our sole and exclusive property. As a franchisee you are not permitted to advertise through daily deal programs such as Groupon, Living Social, MindBody, GymPass or

other similar means via online or other media outlets. (Section 13 of Franchise Agreement).

Promoting Corporate Marketing Campaigns and Promotions.

All franchisees must promote corporate-initiated campaigns and promotions to ensure a consistent marketing effort throughout the entire system. This includes posting marketing materials relevant to a specific period of time in the studio, promoting the same campaigns throughout your social media efforts, etc. (Section 13 of Franchise Agreement). Franchisee must also refrain from engaging in any marketing, conduct, or communications that, if publicized, may adversely affect the Franchise system, its intellectual property, brand, goodwill and/or Franchisor's interest therein as determined by Franchisor in its sole discretion. (Section 9.1.5 of Franchise Agreement).

Marketing Tools and Materials Guideline.

Franchisor develops a variety of tools in an effort to provide all franchisees successful and consistent materials to use in their marketing efforts. Franchisees must purchase these tools through Approved Marketing Vendors per the Franchise Agreement. The tools that are required at all times include but are not limited to Business Cards, Guest Passes, Brochures, Posters, In-studio Wall Graphics, lead boxes, etc. (Section 13 of Franchise Agreement).

Advertising Council.

There is currently no advertising council composed of franchisees.

Marketing Cooperative.

There are no marketing cooperatives. Franchisees must focus on local marketing for their individual location(s). (Section 10 of Franchise Agreement)

Computer Hardware, Point-of-Sale System and Customer Relations Management Platform.

Your computer/hardware and software must meet our specifications, including its operation of a Windows, Mac, or Chrome operating system with a web browser and network connection. This includes a requirement that your computer be capable of running the most current Operating systems as they become available. We estimate the cost of purchasing the required computer system at ~~\$3,500~~2,000. (Section 9 of Franchise Agreement)

The required computer must be able to run the following software: a web browser, software capable of creating and editing Microsoft Word and Excel documents, a PDF reader, anti-virus, and Java. You are responsible for obtaining and maintaining onsite cabling systems and switches, routers, uninterrupted power supplies, and wireless access points. (Section 9 of Franchise Agreement).

You will be required to install and run our proprietary point-of-sale software developed specifically for our franchisees. You will be charged \$129 per month for the use of this software. You will be provided with specifications and initial training for your use of the software system.

(Section 10 of Franchise Agreement)

Franchisor has unlimited independent access to any data stored in the software system. This includes information about revenue you generate, customer data, and other information related to your ongoing operation of the franchised business. There are no contractual provisions that limit our access to the data. (Section 15 of Franchise Agreement)

You will be required to use QuickBooks Online pursuant to Franchisor's instruction, including but not limited to instructions regarding syncing your QuickBooks Online account or entities, as is required in the Franchise Agreement. (Section 15 of Franchise Agreement).

We have the right to require you to update or upgrade your computer software program and computer hardware components, as we deem necessary. At our option, Franchisor or its designee(s) will provide ongoing maintenance, repairs, upgrades or updates. Currently Franchisor does not impose a technology fee ~~to cover these costs for the foregoing~~, but we reserve the right to do so in the future. ~~If we do impose a technology fee for the foregoing of, it will not exceed \$150 per month, or \$1,800 per year.~~ (Section 10 of Franchise Agreement).

As a method of remote support, Franchisor will use TeamViewer, or any other software deemed necessary to provide remote support to the computer. TeamViewer must be online and running at all times so that Franchisor can support and update the software system as needed. (Exhibit 5 to the Franchise Agreement).

SAIL is a required Customer Relations Management (CRM) platform that will allow your studio to gather all leads into one place to be able to focus on lead management, outreach and results. Additionally, the platform serves as a management tool to allow managers and owners to monitor and evaluate the performance of each employee, as well as log communication efforts via phone, email, or text messaging through the system.

The monthly fee for the use of SAIL is ~~\$12599~~ per month per studio, ~~plus \$26 per month per studio for unlimited two way SMS texting.~~ This expense should be classed as "Marketing" in QuickBooks. (Section 10 of Franchise Agreement)

Equipment, Signage, Fixtures, Opening Inventory and Supplies.

You must purchase equipment and supplies from designated and approved suppliers. You must purchase goods and materials, which adhere to our minimum standards and requirements. These items include but are not limited to start-up equipment (including all HOTWORX® units and computer hardware and software), inventory, interior and exterior signs, insurance, grand opening marketing, on-going marketing, printing, and supplies. Approved, designated or recommended suppliers are identified in the Operational Systems Checklist or in a separate Approved Vendor List. They may include us, our affiliates, or unaffiliated third-party suppliers. We, and our designated and approved suppliers, are currently the only approved suppliers for HOTWORX® products and other branded materials. (Sections 6 and 9 of the Franchise Agreement and Exhibit 1 to Franchise Agreement).

- Equipment: All required equipment is purchased through Franchisor's Affiliate(s) and/or

an Approved Vendor. On occasion, Franchisor disburses funds to respective vendors for third-party equipment that is then shipped to Franchisee from vendor directly.

- Opening Inventory: Franchisor provides an opening order guideline/outline to the franchisees. The opening order includes items provided by both Franchisor or its Affiliate and third-party vendors. With regard to the wholesale items ordered through Franchisor or its Affiliate, the order is placed directly with Franchisor and distributed to the Franchisor's office. Franchisor facilitates the shipment of these items to the Franchisee. With regard to wholesale items ordered through third-party vendors, Franchisor provides Franchisees with a list of hyperlinks to the respective vendors, and Franchisees place orders directly through the vendor, who manages the inventory at their own facilities and distributes the items directly to Franchisee.
- Trade Dress and Fixtures: Franchisor provides trade dress and fixtures through a third-party approved vendors. The vendors are provided the written specifications from Franchisor and delivers and/or installs as needed the trade dress and fixtures.

Build-Out and Compliance of Your Studio.

You are responsible for all costs of and connected with design and construction, including, but not limited to construction drawings, architectural and/or engineering drawings, including stamps and seals, fees associated with obtaining building permits, leasehold improvements, equipment, furniture fixtures and signs, and you must bear the cost and responsibility for compliance with state or local ordinances, rules and regulations, including those related to zoning. You must obtain and maintain all permits, licenses, and registrations required for the premises and the lawful operation of Your studio and comply with all health and safety codes. (Sections 6 and 9 of the Franchise Agreement).

Staff Recruiting, Hiring and Training.

You are responsible for the recruiting, hiring and training of your employees. The Operational Systems Checklist provides reference material to aid You in this process.

Training Program.

Prior to opening, HOTWORX also requires You and Your Manager to participate in 5 days of operations training ("Shadow Training") from Your studio location and virtually led by HOTWORX. You and your Manager must complete all courses and certifications of HOTWORX® University. Additional training may be required or requested on an as-needed basis. (Sections 7 and 9 of Franchise Agreement).

You are responsible for training all other employees both on an initial and on-going basis.

TRAINING PROGRAM

HOTWORX® University Online Training Program			
Course	Hours of Virtual/Online Course Work	Hours of on-the-job training	Location
Franchisee Overview	12 hours	N/A	Online Course and Reading Materials
HOTWORX® Certification	5 hours	N/A	Online Course and Reading Materials
Presale Strategies	1 hour	N/A	Online Course
Staffing & Management	4 hours	N/A	Online Course
Customer Service	1.5 hours	N/A	Online Course
Membership Sales	1.5 hours	N/A	Online Course
Marketing and Branding	2 hours	N/A	Online Course
Information Technology	4 hours	N/A	Online Course
TOTAL HOURS	31 hours	N/A	Online Course & Reading Materials

1. ~~1.~~ Instructors, schedule/agenda and locations are subject to substitution at any time and at franchisor’s discretion.

2. ~~2.~~ Training materials are generally provided electronically. You and your principal operator (if you are not operating the Studio) are required to attend training, which may be conducted virtually if necessary and approved by Franchisor. We may approve additional attendees at our sole discretion. All training, including online or written exams and checklists during pre-sale and soft opening, must be completed to the satisfaction of Franchisor, in the time frame or as directed by the Franchise Performance Coach ~~and checklists during pre-sale and soft opening~~ in order to allow for properly timed pre-sale to begin and to prepare for soft opening. Additional courses may be added and required to be completed at franchisor’s discretion.

3. ~~3.~~ All such shadow training consists of 5 full-staffed hours days (M-Thurs 11am – 8pm, Fri 9am – 6pm at an approved studio location with pre-approved shadow dates. Attendees must remain engaged and participate during training days but not interfere with studio management and staff sales and operations. Failure to meet requirements may result in the requirement for additional onsite days of training. Franchisee ~~would be~~ responsible for all related travel, lodging and other costs. Franchisor may require additional training programs or refresher courses.

4. ~~4.~~ There is no fee for attending shadow training. However, you (and your principal operator) are solely responsible for full payment of all training-related expenses including, without

limitation, travel expenses to and from the training site, lodging accommodations, dining expenses, and salaries for your employees.

~~3.5.5.~~ Prior to attending shadow training, all online courses must be completed with passing exam grades by all franchisees and managers, which may include HOTWORX® University online and any other trainings, readings, [and](#) webinars communicated by Franchisor.

~~6.~~ ~~6.~~ Any additional onsite training that [HOTWORX](#) corporate provides will be provided for a \$200.00 per day fee.

~~4.7.~~ [At least one franchise owner and the General Manager are required to participate in all five consecutive days of training and must be inside their studio with cameras on. Failure to meet training obligations may require a repeat of the training and delay approval for the studio to open.](#)

Training instructor experience

Stephen Smith has over ~~41~~¹⁰ years of experience in the membership sales business and ~~27~~⁶ years in general business development and franchise operations.

Jessica Matherne has over ~~24~~³ years of experience in the field of general business development, franchise operations, marketing and membership sales.

Kasie Banks has ~~12~~¹ years of marketing and advertising experience in the areas of campaign advertising, print and digital production, lead generation, website development and optimization, social media, and public relations.

~~Amanda Gianelloni has 6 years of marketing, branding, and advertising experience in the areas of strategic planning, enhancing customer value, maximizing business outcomes, digital marketing, and print and digital content creation.~~

Robyn Powell has ~~13~~² years of experience in the field of information technology.

Michele Thibodeaux has ~~36~~⁵ years of experience in the field of general business development with a focus in customer experience and sales performance.

Alyssa Burnham has ~~13~~² years of experience in the field of general business development with a focus in marketing.

Byron Price ~~comes to HOTWORX with~~^{has} ~~31~~⁰ years of experience in retail, multi-unit management and ~~14~~³ years of entrepreneurship and business development, including with franchise business models.

Jeremy Harwell has ~~16~~⁵ years of experience in the fitness industry with ~~12~~¹ of those years focused on management and membership sales and 4 years in franchise operations and sales performance.

Jenna Pivo has ~~13~~² years of experience in the fitness industry with 8 of those years focused on franchise studio management and membership sales and 2 years focused on franchise operations

and performance.

Anthony [Sciscento](#) has [109](#) years of experience in the fitness industry with [87](#) of those years focused on membership sales. Anthony has also completed coursework in exercise physiology and received personal training certifications.

In the event we appoint a substitute trainer, such substitute will have at least one year of experience in the specific subject matter being taught.

Table of Contents for Operations Checklist

The HOTWORX® Operations Manual and Checklist (referred to as the “Operations Checklist”) is entirely electronic [and consists of two checklists accessible through a dedicated Project and Communication website. One checklist is referred to as Location Development and the other is referred to as Pre-Sale and, collectively, ~~and~~ are](#) fifty-nine (59) pages long.

Article I. Welcome to HOTWORX®

1. Confidential Disclosure
2. HOTWORX® Mission Statement
3. Contact Information
4. Compliance with Applicable Laws
5. Compliance with Franchisor’s Policies and Procedures
6. Secret Shop/Inspections

Article II. Pre-Opening

1. Finance/Site Selection
 - 1.1. Finance
 - 1.2. Market Analysis/Overview
 - 1.3. Site Selection
2. Selected Site
 - 2.1. Letter of Intent and Negotiations
 - 2.2. Finalizing the LOI and Receipt of the Draft Lease
 - 2.3. Loan Closing
3. Lease Execution and Pre-sale set-up
 - 3.1. Finalize Studio Floor Plan
 - 3.2. Lease Execution
 - 3.3. Completion of General Construction Plan
 - 3.4. Exterior Signage
4. Construction Overview
 - 4.1. Finalize Contractor Bidding/Selection
 - 4.2. Permitting
 - 4.3. Construction Commencement
 - 4.4. Fixturing Items Order Placement
5. Certificate of Occupancy

Article III. On-boarding/Getting Ready for Business

1. On-boarding
 - 1.1. Presale Project Website Review
 - 1.2. Using Presale & Location Development Checklists
 - 1.3. Review of Website & Google Tools
 - 1.4. Accessing Intranet & Cloud Drive Resources
2. Pre-Opening Phase I: Project Setup & Learning the Basics
 - 2.1. Project & Communication Setup
 - 2.2. Presale Overview Lesson & Letter of Commitment
 - 2.3. Begin HOTWORX® University
 - 2.4. Review Important Google Tools

- 2.5. Review & acknowledgement of several important policies
- 2.6. HOTWORX® Blog Subscription
- 2.7. Begin Franchising for Dummies Reading [& other required reading and exams.](#)
- 2.8. Research and verify regulations in the following categories:
 - Use of contracts
 - Sales Tax
 - Human Resources
 - All other regulatory issues
3. Pre-Lease Phase II: Planning & Preparation - LOI signing
 - 3.1. Review of Pre Sale Introduction Key Components
 - 3.2. Review of HOTWORX® University completed courses
 - 3.3. Confirm and Finalize Equipment/Service Mix
 - 3.4. Budget Review & Pre Sale Timeline & Strategy
 - 3.5. Begin preparation for recruiting methods based on staffing requirements
 - 3.6. Secure payroll service provider
 - 3.7. Preview Center Options/Updates
4. Pre-Opening Phase III: Staffing, Start-up & Preview Center - at lease signing
 - 4.1. Secure telephone number(s) and Internet connectivity
 - 4.2. Preview Center Layout Review & Updates
 - 4.3. Order all Preview Center Printed & Marketing Materials
 - 4.4. Determine Location Name & [setup-set up](#) location Google accounts
 - 4.5. Set up Merchant Services Account
[4.6 Complete and submit POS Software Install Request \(Demo\)](#)
 - 4.6. Complete HOTWORX® University Courses
 - 4.7. Marketing & Social Media Overview & Set up
 - 4.9. Complete the POS Software Set up Form (Actual Database)
 - 4.10. Staff Recruiting, Hiring & Training
 - 4.11. Order all Marketing Printed Materials & Staff Uniforms
 - 4.12. Order Preview Center Products & Accessories
 - 4.13. Preview Center Set Up
 - 4.14. Operations & Sales Set up
 - 4.15. Provide Banking info to Accounting Dept
 - 4.16. Staff Training on Marketing & Pre Sale
 - 4.17. ~~Launch~~ [Pre Marketing: Strategies including paid and organic lead generation strategies and Daily Marketing Checklist](#) ~~Facebook & online ads with Ad Vendor~~
 - 4.18. Friends & Family Pre Sale begins
 - 4.19. Additional Steps During Pre-Sale
5. Soft-Opening Prep & Launch Phase IV: Staff Training, Marketing & Setup
 - 5.1. Follow up on HOTWORX® University courses
 - 5.2. Franchisee Shadow Training Completion & Review
 - 5.3. Studio Setup & Review of Video Inspection Checklist
 - 5.4. [Submit all Start-Up Costs for review](#)
 - 5.5. Continued Staff Training
 - 5.6. Begin Daily Pre Sale Marketing Checklist

Article IV. Operations

1. Marketing Department
 - 1.1. Department Overview
 - 1.1.1. Mission
 - 1.1.2. Contact Information
 - 1.1.3. HOTWORX® University
 - 1.1.4. Franchise Support
 - 1.1.5. Marketing Support Requests
 - 1.1.6. Custom Graphic Design Request & Approval
 - 1.1.7. Approved Marketing Vendors
 - 1.2. Branding
 - 1.2.1. Registered Trademarks and Wordmarks
 - 1.2.2. Colors and Typography
 - 1.2.3. Images
 - 1.2.4. Brand Verbiage
 - 1.2.5. Email Signatures
 - 1.3. Marketing & Advertising
 - 1.3.1. Policies
 - 1.3.2. Guidelines
 - 1.3.3. Corporate Approved Campaigns, Promotions, and Offers
2. Convention Attendance
3. Employee Solicitation
4. Disclosure of Personal Information Franchisee Obligations
 - 4.1. Twenty-Four Hour Operations
 - 4.2. Memberships and Reciprocity [Membership Strategies & FAQ's]
 - 4.3. Authorized Products and Services and Approved Suppliers [On-boarding & Phase 1 Checklist]
 - 4.4. Product Warranty Programs
 - 4.5. Computer Software and Hardware- [Hardware Requirements Phase 2 Checklist]
 - 4.6. Collection of Data
 - 4.7. Books, Records and Reports [Location Development [Step A Checklist](#)]
 - 4.8. Accounting [Location Development [Step A Checklist](#)]
 - 4.9. Insurance
 - 4.10. HOTWORX® Membership Policy -[Membership Strategies & FAQ's]
 - 4.11. Pre-sale Strategies & Pricing Structure

Article V. Performance and Education

1. Customer Service [Customer Experience & Member Retention Lessons – HWX University]
 - 1.1 Customer Service and [Marketing Training Courses – Phase 3 Checklist](#)~~Complaints~~ [Product Credit Policy](#)
~~1.2 Customer Relations – Social Media Reviews~~
~~1.3 Customer Service: The Basics~~
~~1.4 Customer Service: Products>Returns For Franchisee~~
 - 1.2 Mystery Shop Program [Soft Open – Presale Checklist 4]

- 2 Marketing and Lead Generation
 - 2.1 Grassroots & Local Outreach- [Phase 2 Virtual Training Videos]
- 3 Phone Skills & Outreach -[Phone Training – HOTWORX® University]
- 4 Membership Sales and Tour [Membership Sales – HOTWORX® University]
 - 4.1 Overcoming Objections [Membership Sales – HOTWORX® University]
 - 4.2 Tracking Sales Statistics [Management – HOTWORX® University]
- 5 Employee Management- [Staffing Lessons – HOTWORX® University]
 - 5.1 Top Qualities & Characteristics – Roles & Org Chart

Item 12 TERRITORY

Franchisee shall operate its studio only from the Approved Location as defined in Section 2 of the Franchise Agreement and identified in the Approved Location and Territory Addendum, attached as Exhibit 2 to the Franchise Agreement.

You may have the opportunity to develop additional franchise licenses by signing an Area Development Agreement and purchasing franchise option(s). Under the Area Development Agreement, the location and territories of future units will be subject to Franchisor approval and Franchisor's then-current standards for sites and territories will apply. If you exercise your option(s), you will be required to execute a then-current, separate franchise agreement prior to engaging ~~a broker~~ [in the site selection process](#) or entering into any form of lease negotiations for each such location.

You may relocate the studio only with our prior written approval. Franchisor will permit you to relocate your studio to a new approved location within the Territory, at your expense, if you lose the right to possess the premises through no fault of your own, or if the studio is destroyed by vandalism, fire, or Act of God. Franchisor will approve the new site if it meets the site-selection criteria discussed in Item 11.

During the term of the Franchise Agreement, if you are in compliance with the Franchise Agreement, you will have a Protected Territory as identified in the Franchise Agreement. Compliance includes compliance with Franchisor's standards and specifications as stated in the Operational Systems Checklist, your best efforts in exploiting your Protected Territory to increase your business, good customer service, and membership reciprocity with other HOTWORX® studios. Your rights in the Protected Territory are not dependent on achievement of a certain sales volume or market penetration.

The protection afforded under this paragraph relates solely to the operation of a HOTWORX® studio. We retain all other rights. Specifically, but not exclusively, we have the right to operate and license others the right to operate studio businesses using the Proprietary Marks and System outside the Protected Territory. Franchisor's Affiliates may establish, locate, grant, or sell to any third party the right to establish or locate a studio, spa, or other franchise outlet, other than a HOTWORX® studio, within your Protected Territory

Your grant of a franchise also does not include (i) exclusive marketing rights; (ii) any right to offer any product or service via e-commerce; (iii) any right to establish an independent website or to establish a URL incorporating the Proprietary Marks or any variation thereof; or (iv) any right to distribute, market, or implement HOTWORX®'s products and services in any channel of distribution not specifically identified in the FDD and Franchise Agreement.

Moreover, ~~we~~Franchisor, ~~our~~-its affiliates, ~~our~~-its franchisees, licensees or designees, may distribute products, now existing or developed in the future, in your Protected Territory, in such manner and through such channels of distribution as ~~we~~Franchisor, in ~~our~~-its sole discretion, shall determine. Such channels of distribution shall include, but are not limited to, sales of any products

offered by you under the Proprietary Marks at or through health or fitness clubs, spas, salons, studios, stores, boutiques, hotels, resorts and other products through fixed stores, the Internet, mail order sales, or other direct marketing. We are not required to pay any compensation for soliciting or accepting orders inside of your Protected Territory.

The Protected Territory will generally be a circle, the center of which will be your Approved Location as identified by your signed lease. The actual size and dimensions of your Protected Territory may be less than stated below and will depend upon the specific variables of your site including population density, marketing and development trends, traffic flow and natural and man-made boundaries.

A map plotting the Protected Territory will be attached to your Franchise Agreement. If a radius is used to determine your Protected Territory, then the radius of the circle will be based on where the studio is located ~~and the number of HOTWORX® sauna(s) installed~~ and will be either:

1. A radius ranging from one third of a mile (.3 miles) up to one and nine tenths of a mile (1.9 miles) if your studio is located in a densely populated area which may include suburbs; or
2. A two-mile (2.0 miles) radius if your studio is located in any other area.

Where applicable, the radius range referenced in Subsection 1 above shall be determined by the Franchisor in its sole discretion. Your Protected Territory shall exclude: (i) any area that is across a state line, river, navigable waterway, highway, interstate, or other natural or manmade boundary; and (ii) regional shopping malls, professional or collegiate athletic facilities, residences, resorts and airports. Franchisor reserves the right to modify Your Territory should You breach the Franchise Agreement.

The continuation of your Protected Territory and the rights granted to you regarding your Protected Territory are not dependent on achieving a certain sales volume, market penetration, or other contingency. Franchisor will not unilaterally alter your contractually sanctioned Protected Territory, except that Franchisor reserves the right to modify your Protected Territory should you breach the Franchise Agreement.

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

If you exercise your option to develop a HOTWORX studio under an Area Development Agreement, the terms of the then-current Franchise Agreement and Franchisor policies and standards will govern the designation of your territory and location of such a subsequent studio. Franchisor's approval for the location and territory of each subsequent studio is required.

[As an Area Developer, you](#) will not receive an exclusive territory. You may face competition from other franchisees, from outlets that we own, or from other channels of distribution or competitive brands that we control.

You shall not distribute or publish advertising or otherwise market outside your territory except in

compliance with the Franchise Agreement. You are not permitted to solicit customers and/or market outside your Protected Territory, except through the use of indirect advertising and marketing through such channels as the internet, social media, e-mail, and other electronic communications. However, **YOU ARE NOT PERMITTED TO PROMOTE YOUR STUDIO OR SERVICES THROUGH “DAILY DEAL” SITES, i.e., Groupon, Living Social, MindBody, GymPass and/or similar sites or other media that offer redeemable vouchers for goods and services.** While you are generally not permitted to solicit customers and/or market outside your Protected Territory, [Franchisor, on limited occasions, may permit you to market outside your Protected Territory upon you may do so upon receipt of Franchisor’s prior written authorization, which Franchisor will not unreasonably withhold. Franchisor may condition its authorization upon](#) your agreement to offer System franchisees who are operating studios in contiguous territories the opportunity to participate in, and share the expense of, such solicitation and/or marketing.

We and our affiliates have the right to operate studios and other businesses, including company-owned or operated outlets, offering similar goods and services in your territory, and we and our affiliates have the right to offer franchises or licenses to others under the trademarks other than HOTWORX®, including sales under HOT Brands’ trademarks. The similar goods and services include but are not limited to saunas, studio equipment, products, and memberships. Any conflict between You and the Franchisor regarding territory, customers, and franchisor support will be resolved pursuant to the Dispute Resolution procedures outlined in the Franchise Agreement.

Planet Beach® Franchising Corporation, with its principal place of business located at 5145 Taravella Road, Marrero, Louisiana 70072, [and SOL SPA Franchising, LLC with its principal place of business located at 5200 Taravella Road, Marrero, Louisiana 70072, is an affiliate](#) ~~are affiliates~~ of HOTWORX®. Certain Planet Beach® [and SOL SPA](#) franchises, including company-owned or operated outlets, may offer goods and services similar to those of HOTWORX® in spas that may be located in your territory. These offered services and products may include the use of HOTWORX® saunas, vitamins, health supplements and drink options, and HOTWORX® exercise aids and accessories. Any conflicts regarding territory, customers, and franchise support arising between franchisees of the different systems or between You and the Franchisor, will be resolved pursuant to the Dispute Resolution procedure outlined in the Franchise Agreement.

**Item 13
TRADEMARKS**

MARK	DATE REGISTERED	U.S. PATENT AND TRADEMARK OFFICE REGISTRATION NUMBER
HOTWORX (standard character mark)	May 30, 2017	5,215,243
HOTWORX & Design (design mark)	June 6, 2017	5,217,901
<u>O Design HOTWORX</u> (design mark—stylized letter “O”)	October 2, 2018	5,575,714
EARN THE BURN (standard character mark)	September 30, 2019 <u>January 21, 2020</u>	5,966,869
HOTWORX (stylized design mark)	July 16, 2019 <u>January 28, 2020</u>	5,972,714
BARRE NONE (standard character mark)	May 26, 2020	6,065,628
SpaSynergy (standard character mark)	December 22, 2020	6,226,018
THUNDER ROW (standard character mark)	January 10, 2023	6,946,068
THUNDER ROW (stylized design mark)	January 10, 2023	6,946,069
DIET TRAX (standard character mark)	April 25, 2023	7,034,472
HOTWORX (standard character mark)	May 23, 2023	7,059,050
HOTWORX (stylized design mark)	May 23, 2023	7,059,053
<u>DO YOU (standard character mark)</u>	<u>Pending (Application filed August 23, 2023)</u>	<u>Pending (Application Serial Number 98145728)</u>
<u>DYNAMIX (standard character mark)</u>	<u>Pending (Application filed July 28, 2023)</u>	<u>Pending (Application Serial Number 98107745)</u>
<u>DYNAMIX (stylized)</u>	<u>Pending (Application filed July 28, 2023)</u>	<u>Pending (Application Serial Number 98107754)</u>
<u>HOTWORX (service mark)</u>	<u>April 16, 2024</u>	<u>7,359,260</u>

HOT Brands, L.L.C. licenses to us, by a Trademark and System License Agreement (“License Agreement”), the right to use the Proprietary Marks and to sub-license them to System franchisees. The term of the License Agreement ~~is 10 years and automatically renewable~~ is continuous until terminated but is terminable by either party upon 60 days’ notice or written notice of an attempted grant or grant of an improper sublicense. At this time, there are no affidavits required for the trademarks. Registration for the Proprietary Marks will be renewed when required. Registration for the HOTWORX Word Mark (s/n 87043520) was renewed on May 23, 2024 and HOTWORX Design Mark (s/n 87219744) was renewed on May 22, 2024. If terminated, HOT Brands is then required to assume all of our rights and obligations regarding the Proprietary Marks under any franchise agreements then in effect. There is currently no agreement in effect that significantly limits our right to use or license the use of such proprietary marks that are material to the franchise. The principal trademarks, listed above, are registered on the Principal Register of the United States Patent and Trademark Office or are pending registration as noted above.

There are currently no effective determinations of the U.S. Patent and Trademark Office, Trademark Trial and Appeal Board, the trademark administrator of any state or any court; no pending infringement, opposition or cancellation proceedings or proceedings by which the franchisor unsuccessfully is seeking to prevent registration of a trademark in order to protect a trademark licensed by the franchisor; nor any pending material litigation involving the Proprietary Marks.

Franchisee must promptly notify Franchisor of any suspected unauthorized use of the Proprietary Marks, any challenge to the validity of the Proprietary Marks, or any challenge to our ownership of, our right to use and to license others to use, or your right to use, the Proprietary Marks. We will have the right to take the action we think appropriate. ~~We~~ direct and control any administrative proceeding or litigation involving the Proprietary Marks, including the right to settle the proceedings or litigation. We may affirmatively prosecute actions against third parties for infringement or threatened infringement of the Proprietary Marks.

We will defend you against any third-party claim, suit, or demand arising out of your use of the Proprietary Marks. If we determine that you have used the Proprietary Marks in accordance with the Franchise Agreement, we will pay the cost of defending the action, including the cost of any judgment or settlement. If we determine that you have not used the Proprietary Marks in accordance with the Franchise Agreement, you must pay for the defense or reimburse us for costs we incur in providing the defense, including the cost of any judgment or settlement. In any litigation relating to your use of the Proprietary Marks, you must sign all documents and assist us, as we deem necessary, to carry out the defense or prosecution including, becoming a nominal party to any legal action. Except to the extent that such litigation is the result of your use of the Proprietary Marks in a manner inconsistent with the terms of this Agreement, we will reimburse you for your out-of-pocket costs in performing such acts. We may require you to discontinue, modify, or substitute any of the Proprietary Marks as a result of pending or threatened litigation involving your use of the Proprietary Marks; provided that we will indemnify you for your actual out of pocket costs incurred to effectuate such change.

We are not aware of any superior prior rights or infringing uses that could materially affect your use of the Proprietary Marks in any state; however, a federal trademark registration does not

necessarily protect the use of the concerned mark against a prior user in a given relevant market area. Therefore, before entering into the Franchise Agreement, you should make every effort to ascertain that there are no existing uses of the Proprietary Marks or confusingly similar marks being used in the market area where you wish to do business. You should immediately notify us of any confusingly similar marks you discover.

The franchise agreement gives you the right to operate a studio under the trade names, trademarks and service marks that we establish. You may use only the Proprietary Marks, which we designate, and may use them only in the manner we authorize and permit. You may use the Proprietary Marks only for the operation of the studio and only at the Approved Location or in marketing for the studio. Unless we otherwise authorize or require, you may operate and advertise the studio and the Franchised Business only under the name “HOTWORX®” and shall use all Proprietary Marks without prefix or suffix and in conjunction with the symbols “TM,” “SM” or “R,” as applicable. You may not use the Proprietary Marks in connection with the offer or sale of any products, which we have not authorized for use in connection with the System. You may not use the Proprietary Marks as part of your corporate or other legal name. Trademarks, patents, copyrights and proprietary information are protected under both state and federal law. Any violations may be pursued to the fullest extent of the law.

All of your marketing must prominently display the Proprietary Marks and must comply with our standards for using the Proprietary Marks. All such marketing is subject to our prior written approval, ~~which we will not unreasonably withhold~~. We reserve the right to approve all [advertising, marketing, including but not limited to that relating to social media advertising and/or marketing](#), signs, stationery, business cards, forms, and other materials and supplies bearing the Proprietary Marks. You may use the Proprietary Marks including, trade dress, color combinations, designs, symbols, and slogans, only in the manner and ~~to~~ the extent specifically permitted by the Franchise Agreement or by our prior written consent. You must submit to us and we must approve all marketing, publicity, signs, decorations, furnishings, equipment or other materials employing the Proprietary Marks, or related marks, prior to first publication or use. ~~We will not unreasonably withhold our approval.~~

We may substitute different proprietary marks for use in identifying the System and the businesses. You must discontinue using all Proprietary Marks which we have notified you, in writing, have been modified or discontinued within 10 days of receiving written notice and must promptly begin using such additional, modified or substituted Proprietary Marks at your expense. We will have no liability or obligation because of such discontinuation, modification or change.

You are prohibited from selling or reselling any products, equipment or other materials containing any Proprietary Marks and/or any intellectual property of HOTWORX or its affiliates without our express written consent. HOTWORX, its affiliate or its assignee also have the option, but are not obligated, to purchase any products, equipment or other materials subject to any trademark, patent, trade secret, or other proprietary or confidential information containing any Proprietary Marks and/or any intellectual property of HOTWORX or its affiliates used in connection with the operation of your Studio by providing you written notice of its election within six (6) months after termination or expiration of this Agreement and paying you the book value, subject to the condition of such products, equipment or other materials. For purposes of this Section, “book value” means the amount you actually paid for the products, equipment or

other materials less depreciation (calculated by using the straight-line depreciation method on a 10-year depreciation schedule irrespective of the depreciation method or schedule you use for accounting purposes). Where such option is exercised, Franchisee is responsible for all costs associated with securely disassembling, where applicable, storing and/or shipping or otherwise delivering in good condition and working order such personal property to a site determined by Franchisor. Franchisor accepts no liability for any aftermarket equipment sales, including but not limited to the HOTWORX® saunas, that may occur. Therefore you accept the risk that such competing, unauthorized equipment may compete in an unauthorized location inside or outside of your Protected Territory.

Item 14
PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

DESCRIPTION	TITLE	DATE APPLIED	SERIAL NO. /SEQUENCE	APPLICATION NUMBER
HOTWORX® (Design ApplicationPatent)	HOTWORX® Infrared Sauna for Isometric Exercise Training	May 29, 2017	605,666	29/605,666 Issued on September 10, 2019 as Patent D859,674 (Note 1)
HOTWORX® (Design ApplicationPatent)	Water Rower	March 3, 2020	726,344	29/726,344 Issued on November 16, 2021 as Patent D936,161 D936131 (Note 2)
HOTWORX® (Design ApplicationPatent)	Resistance Device for Cycling	March 3, 2020	726,346	29/726,346 Issued on December 28, 2021 as Patent D939,648 (Note 3)
HOTWORX® (Design ApplicationPatent)	Ornamental Design for a Water Rower – (continuation)	June 17, 2021	795,137	29/795,137 Issued on May 9, 2023 as Patent D985,695 (Note 4)
HOTWORX® (Design ApplicationPatent)	Ornamental Design Pulley for a Water Rower (continuation)	November 20, 2021	816,302	29/816,302 Issued on October 18, 2022 as Patent D967,304 (Note 54)
HOTWORX ® (Design Application)	Heater Grill Cover for an Infrared Sauna	February 23, 2022	827,866	29/827,866
HOTWORX ® (Utility Application)	Enclosure for a Ceramic Heater Rod	August 4, 2023	230,166	18/230,166
HOTWORX ® (Utility Application)	Water Rower With Tank Containing Water Absorbent Beads	January 13, 2024	11520	PCT/US24/11520

Note 1: Design Patent D859,674 has a term of fifteen (15) years from the date of grant, September 10, 2019.

Note 2: Design Patent [D936,161](#)~~D936131~~ has a term of fifteen (15) years from the date of grant, November 16, 2021.

Note 3: Design Patent D939,648 has a term of fifteen (15) years from the date of grant, December 28, 2021.

[Note 4: Design Patent D985,695 has a term of fifteen \(15\) years from the date of grant, April 19, 2023.](#)

Note ~~5~~4: Design Patent D967,304 has a term of fifteen (15) years from the date of grant, October 18, 2022.

On April 22, 2015, ~~Franchisor~~ [Planet Beach Brands, LLC](#) filed a provisional patent application for Patent rights for the title of invention for the systems and methods for isometric exercise training within an infrared sauna. [This application was not granted and is no longer pending.](#)

On December 30, 2015, [Planet Beach Brands, LLC](#) ~~Franchisor~~ filed a utility patent application for Patent rights for the title of invention for the systems and methods for isometric exercise training within an infrared sauna. [This application was not granted and is no longer pending.](#)

On April 21, 2016, [Planet Beach Brands, LLC](#) ~~Franchisor~~ filed a Patent Cooperation Treaty application for International Patent rights for the title of invention for the systems and methods for isometric exercise training within an infrared sauna. [This application was not granted and is no longer pending.](#)

On May 29, 2017, ~~Franchisor~~ [HOT Brands, LLC](#) filed a U.S. design patent application for Patent rights for the invention infrared sauna for isometric exercise training. Said application was granted on September 10, 2019 as Patent D859,674, which has a term of fifteen (15) years from that date.

On March 3, 2020, ~~Franchisor~~ [HOT Brands, LLC](#) filed a U.S. design patent application for Patent rights for the invention ornamental design for a water rower.

On March 3, 2020, ~~Franchisor~~ [HOT Brands, LLC](#) filed a U.S. design patent application for Patent rights for the invention ornamental design for a resistance device for cycling.

[On June 17, 2021, HOT Brands, LLC filed a continuation U.S. design patent application for Patent rights for the invention ornamental design for a water rower.](#)

[On November 20, 2021, HOT Brands, LLC filed a continuation U.S. design patent application for Patent rights for the invention ornamental design for a water rower.](#)

[On February 23, 2022, Franchisor filed a U.S. design patent application for Patent rights for the invention ornamental design for a heater grill cover for an infrared sauna.](#)

[On August 4, 2023, HOT Brands, LLC filed a U.S. utility patent application for Patent rights for](#)

[the invention enclosure for a ceramic heater rod.](#)

[On January 13, 2024, HOT Brands, LLC filed a U.S. utility patent application for Patent rights for the invention for a water rower with tank containing water absorbent beads.](#)

You will not have any rights, including rights to compensation, under the franchise agreement if we require you to modify or discontinue using the subject matter covered by the pending patents. We have no obligation to protect the patent, patent application or to defend you against any claims arising out of the use of the items that are subject to the pending patent applications.

Franchisor claims common law copyright and trade secret protection for several aspects of the franchise system including our Operational Systems Checklist, advertising and marketing, and business materials, but we have not registered these materials with the Copyright Office of the Library of Congress. Trademarks, patents, copyrights and proprietary information are protected under both state and federal law. Any violations may be pursued to the fullest extent of the law.

During the term of the Franchise Agreement, you will receive information, which we consider to be a trade secret and/or confidential information. These materials are proprietary and confidential and are our property. You may use them only as long as you are a franchisee, and only as provided in your Franchise Agreement. You may not, during the term of ~~this the Franchise~~ Agreement or thereafter, communicate, divulge, or use for the benefit of any other person, partnership, association, corporation, or limited liability company any trade secrets, copyrighted materials, methods and other techniques and know-how concerning the operation of the Franchised Business (“Confidential Information”). You may divulge such ~~C~~onfidential ~~I~~nformation only to your employees who must have access to it in order to perform their employment obligations. Your manager and any personnel having access to any of our Confidential Information must sign an agreement stating that they will maintain the confidentiality of information they receive in connection with their employment and restricting their right to work for a competitor while they are employed by you. This agreement, which will be in a form that is recognized by your state, will identify us as a third-party beneficiary to the agreement and will give us independent enforcement rights.

Patented Devices and Methods. During the term of ~~this the Franchise~~ Agreement, Franchisee may receive, through purchase or otherwise, certain devices or methods subject to patents owned by Franchisor. To the extent that any such devices or methods are subject to registered patents, either by the USPTO, WIPO, or any other such entity, Franchisor expressly grants Franchisee a license to use and/or market said devices or methods only during the term of ~~this the Franchise~~ Agreement. Should ~~this the Franchise~~ Agreement be terminated for any reason by either Party, any and all licenses granted to Franchisee by Franchisor with respect to any patented devices and/or methods are considered revoked at the time of termination.

No Implied License. Franchisee acknowledges that the rights and licenses granted in ~~this the Franchise~~ Agreement are limited to the scope expressly granted. Accordingly, except for the rights expressly granted under ~~this the Franchise~~ Agreement, no right, title, or interest of any nature whatsoever is granted whether by implication, estoppel, reliance, or otherwise, by Franchisor to Franchisee. All rights with respect to any know-how, patent or other intellectual property right ~~rights~~ that are not specifically granted herein are reserved to the Franchisor.

You will not have any rights, including rights to compensation, under the franchise agreement if we require you to modify or discontinue using the subject matter covered by the pending patents. We have no obligation to protect the patent, patent application or to defend you against any claims arising out of the use of the items that are subject to the pending patent applications.

There are no current determinations, proceedings or litigation involving any of our copyrighted materials. HOT Brands controls litigation related to proprietary information. Should you become aware that any unauthorized third party is using any of our copyrighted materials, we request that you notify us of such unauthorized use. We are not required by any agreement to protect or defend our patent applications or copyrights. We are not aware of any infringing uses of any copyrighted materials that could materially affect our use of these materials. We may revise any of our copyrighted materials in our discretion and may require that you cease using any outdated copyrighted material. You will be responsible for printing any revised or new advertising, marketing or other business materials.

You are prohibited from selling or reselling any products, equipment or other materials containing any Proprietary Marks and/or any intellectual property of HOTWORX or its affiliates without our express written consent. HOTWORX, its affiliate or its assignee also have the option, but are not obligated, to purchase any products, equipment or other materials subject to any trademark, patent, trade secret, or other proprietary or confidential information containing any Proprietary Marks and/or any intellectual property of HOTWORX or its affiliates used in connection with the operation of your Studio by providing you written notice of its election within six (6) months after termination or expiration of ~~this the Franchise~~ Agreement and paying you the book value, subject to the condition of such products, equipment or other materials. For purposes of this Section, “book value” means the amount you actually paid for the products, equipment or other materials less depreciation (calculated by using the straight-line depreciation method on a 10-year depreciation schedule irrespective of the depreciation method or schedule you use for accounting purposes). Where such option is exercised, Franchisee is responsible for all costs associated with securely disassembling, where applicable, storing and/or shipping or otherwise delivering in good condition and working order such personal property to a site determined by Franchisor. Franchisor accepts no liability for any aftermarket equipment sales, including but not limited to the HOTWORX® saunas, that may occur, therefore you accept the risk that such competing, unauthorized equipment may compete in an unauthorized location inside or outside of your Protected Territory.

Item 15
OBLIGATION TO PARTICIPATE IN THE
ACTUAL OPERATION OF THE FRANCHISE
BUSINESS

Franchisor does not require that you personally supervise your studio. While your personal participation is not required, it is recommended. If you choose to operate the studio through a full-time Manager, which you designate to manage your location, then they must personally supervise the day-to-day operations of the studio in your absence. We do not impose any limitations on who you can hire as your full-time manager, but you and the designated manager must successfully complete all components of Franchisor's training program as described in Item 11 and must sign and deliver to us a Confidentiality and Non-Competition Agreement as described in Items 14 and 17 before assuming managerial responsibilities. Your designated manager need not have an equity interest in the Franchised Business or in any partnership, corporation, or limited liability company franchisee. You and your domestic partner and/or spouse will be required to sign a personal guaranty in connection with the obligations specified in the Franchise Agreement.

Item 16
RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

Franchisor requires you to offer and sell all services that Franchisor has approved. Franchisor requires you to offer and sell as part of your initial inventory all goods that Franchisor has approved. At Franchisor's discretion, you may be required to continue to offer and sell certain or all goods that Franchisor has approved. (See Items 8 and 9.) You must refrain from any deviation from our standards and specifications without our written consent and must discontinue selling and offering for sale any services or products that we disapprove or discontinue. Franchisor has the right to change the types of authorized goods and services, and there are no limits on our right to make changes, or to require you to sell all goods or services which are authorized by us.

You must use the approved location only for the operation of a HOTWORX® studio, must keep the studio open at all times for the twenty-four hours, every day of the year. You must maintain strict compliance with the universal staffed hours. You must refrain from using or permitting the use of the location for any other purpose or activity at any time without first obtaining our written consent and must operate your studio in strict conformity with the methods, standards and specifications that we require in the Operational Systems Checklist or otherwise in writing. You must not deviate from these standards, specifications and procedures without our written consent.

You must operate your studio in strict conformity with all applicable federal, state and local laws, ordinances and regulations. These laws, ordinances and regulations vary from jurisdiction to jurisdiction. You are responsible for knowing of the existence and requirements of all laws, ordinances and regulations applicable to your studio and for adhering to them.

We do not impose any restrictions or conditions that limit your access to customers if your studio remains compliant ~~to~~ with the standards, specifications and procedures set forth in the Ffranchise Agreement.

Item 17
RENEWAL, TERMINATION, TRANSFER AND
DISPUTE RESOLUTION

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

THE FRANCHISE RELATIONSHIP

PROVISION	SECTION IN FRANCHISE OR RELATED AGREEMENTS	SUMMARY
a.) Length of the franchise term	Franchise Agreement, Section 4	10 years
b.) Renewal or extension of the term	Franchise Agreement, Section 4	Renewal term is five years and may be exercised perpetually -provided you are in good standing and satisfy all required conditions.
c.) Requirements for you to renew or extend	Franchise Agreement, Section 4	In order to renew your non-exclusive license to operate a HOTWORX® studio, you must execute a then-current Franchise Agreement which may contain materially different terms and conditions from the original contract; notify Franchisor of your intent to renew; comply with Franchise Agreement and any other agreement between you and Franchisor; have the right to remain in possession of premises; remodel at Franchisor’s request; have satisfied all monetary obligations owed to Franchisor and its Affiliates; execution of release.
d.) Termination by franchisee	None / not applicable	Franchisees may terminate the franchise agreement under any grounds permitted by state law.

PROVISION	SECTION IN FRANCHISE OR RELATED AGREEMENTS	SUMMARY
e.) Termination by franchisor without cause	None / not applicable	None. Termination of a single unit Franchise Agreement permits the franchisor to also terminate the area development agreement. Under Section 28 of the Area Development Agreement, termination of the area development agreement is not grounds for franchisor to terminate the single unit franchise agreement, except as provided in Section 23.2.16 of the Franchise Agreement.
f.) Termination by franchisor with cause	Franchise Agreement, Section 23.2; Section 3 of Area Development Agreement	Franchisor can terminate the Franchise Agreement if you are in default under the Franchise Agreement or any other agreement you have with us or any of our affiliates. Termination of a single unit franchise agreement permits the franchisor to also terminate the area development agreement. Under Section 3 of the Area Development Agreement, default of any franchise agreement or area development agreement development deadlines permits the franchisor to confirm forfeiture of any or all unexercised options in the Area Development Agreement. Under Section 28 of the Area Development Agreement, termination of the area development agreement is not grounds for franchisor to terminate the single unit franchise agreement, except as provided in Section 23.2.16 of the Franchise Agreement.

PROVISION	SECTION IN FRANCHISE OR RELATED AGREEMENTS	SUMMARY
g.) "Cause" defined—curable defaults	Franchise Agreement, Section 23.3; Section 3 of Area Development Agreement	<p>"Cause" is defined as failure to cure within 30 days any default of the Franchise Agreement not listed in Section 23.2. Termination of a single unit franchise agreement permits the franchisor to also terminate the area development agreement. Under Section 3 of the Area Development Agreement, default of any franchise agreement or area development agreement development deadlines permits the franchisor to confirm forfeiture of any or all unexercised options in the Area Development Agreement. Under Section 28 of the Area Development Agreement, termination of the area development agreement is not grounds for franchisor to terminate the single unit Franchise Agreement, except as provided in Section 23.2.16 of the Franchise Agreement.</p>

<p>h.) “Cause” defined – defaults that cannot be cured (Note 1)</p>	<p>Franchise Agreement, Sections 23.1 and 23.2; Section 3 of the Area Development Agreement</p>	<p>Assignment for benefit of creditors, insolvency, file for bankruptcy, sell, transfer or assign rights under the Franchise Agreement without Franchisor approval, levy or writ of execution of lien placed against you, failure to complete all required training, conviction of a felony, misrepresentation or falsifying material information in connection with this the Franchise Agreement, engaging in fraud or illegal conduct in connection with studio, intentional underreporting or misstatement of any information. You are required to report to Franchisor, misuse of proprietary marks, failure to obtain an Approved Location within 120 days of the Franchise Agreement’s effective date, failure to open studio within 275 days of the Franchise Agreement’s effective date, abandoning your studio, failure to cure any default under lease or sublease or for equipment, failure to strictly follow the provisions for transfer by you upon death, disability or incompetence, violation of confidentiality/non-disclosure obligations, violation of covenant not to compete, failure to obtain Franchisor approval as required under the agreement, violation of the provisions of agreement on 2 or more occasions within a 12 month period.</p> <p>You lose all remaining rights to develop HOTWORX® studios. (Subject to state laws)</p> <p>Termination of a single unit franchise agreement permits the franchisor to also terminate the area development agreement. Under Section 3 of the Area Development Agreement, default of any franchise agreement or area development agreement development deadlines permits the franchisor to confirm forfeiture of any or all unexercised options in the Area Development Agreement. Under Section 28 of the Area Development Agreement, termination of the area development agreement is not grounds for franchisor to terminate the single unit franchise agreement, except as provided in Section 23.2.16 of the Franchise Agreement.</p>
--	---	--

PROVISION	SECTION IN FRANCHISE OR RELATED AGREEMENTS	SUMMARY
i.) Franchisee's obligations on termination/non-renewal	Franchise Agreement, Sections 18 and 24	<p>Cannot compete with Franchisor for a period of two years in certain geographic areas. Pay to Franchisor any sums owing, cessation of business operations, forfeiture of and return to Franchisor all database, including customer data, and all materials containing any Proprietary Marks, trade secrets, or confidential information, discontinuation of use of the name and any marketing under the name HOTWORX®, discontinuation of use of any trademarked, patented or patent pending equipment, transfer of phone number, email addresses, social media and other URLs to Franchisor, surrender to Franchisor all proprietary information and materials, maintenance of books and records for a period of one year, delivery of list of employees for the 3 years immediately preceding termination to Franchisor, provide evidence to Franchisor of compliance with Section 24, provide an inventory lists of all products, equipment or other materials containing any Proprietary Marks and/or intellectual property; vacate studio premises, sale of property in connection with studio to Franchisor at Franchisor's option. Your right to remove certain property from the premises may be limited; pay the royalty fees, virtual instruction software fees, POS fees, SAIL fees and projected sales of whole-sale goods that would otherwise be due for the remaining term of this Agreement discounted to present value using an interest rate of 8%; make such changes and modifications in your business methods, Studio facility, and otherwise if directed by Franchisor.</p> <p>You lose all remaining rights to develop HOTWORX® studios.</p> <p>(Subject to state laws)</p>

PROVISION	SECTION IN FRANCHISE OR RELATED AGREEMENTS	SUMMARY
j.) Assignment of agreement by franchisor	Franchise Agreement Section 21.1; Section 5 of the Area Development Agreement	No restriction on our right to transfer
k.) “Transfer” by franchisee—defined—	Franchise Agreement, Section 21.2; Section 5 of the Area Development Agreement	Includes transfer of the Franchise Agreement , all or substantially all assets of the business, or 51% or greater interest in the entity owning the business.
l.) Franchisor approval of transfer by you	Franchise Agreement, Sections 21.2, 21.3 and 21.7; Section 5 of the Area Development Agreement.	Franchisor must approve all transfers.
m.) Conditions for franchisor approval of transfer	Franchise Agreement, Sections 21.3 and 21.7; Section 5 of the Area Development Agreement.	On the condition that you satisfy all monetary and non-monetary obligations to Franchisor, the buyer is qualified as a franchisee and approved by Franchisor, buyer upgrades the studio, you provide to Franchisor the sale agreement, buyer provides to Franchisor copy of lease agreement and proof of insurance, buyer completes all training, buyer executed a then-current Franchise Agreement, you execute a general release, your payment of a transfer fee of \$10,000 when selling location to an existing franchisee, your payment of a resale fee of \$19,950 when selling your location to a third-party entering into the franchise system. In the event the license is transferred to a new DMA or development area, you pay a transfer fee of \$5,000. You may not transfer the options sold to you under the Area Development Agreement.

PROVISION	SECTION IN FRANCHISE OR RELATED AGREEMENTS	SUMMARY
n.) Franchisor's right of first refusal to acquire franchisee's business	Franchisee Agreement, Section 21.5	Franchisor has the irrevocable first right and option to purchase your business on the same terms and conditions as any bona fide purchaser.
o.) Franchisor's option to purchase franchisee's business	Franchise Agreement, Section 11.2	Franchisor has the option to purchase your personal property used in connection with your studio by providing written notice within six (6) months of termination or expiration.
p.) Death or disability of franchisee	Franchise Agreement, Section 21.4	Your legal representative has the right to continue operation of your studio without a transfer fee. Within 90 days of your death or disability, your legal representative must complete all training and obtain Franchisor's written approval.
q.) Non-competition covenants during the term of the franchise	Franchise Agreement, Section 18.1	Includes prohibition on owning or operating a business that sells similar services or products or operates similar business. This provision is subject to state law.
r.) Non-competition covenants after the franchise is terminated or expires	Franchise Agreement, Section 18.2	No competing business for 2 years within (1) the municipality and parish/county in which your Approved Location and Protected Territory are located; (2) the parishes/counties where other HOTWORX® franchises in Franchisee's state are located; and (3) any one of Louisiana's 64 parishes. This provision is subject to state law.

PROVISION	SECTION IN FRANCHISE OR RELATED AGREEMENTS	SUMMARY
s.) Modification of the agreement	Franchise Agreement, Sections 22 and 26.1	Franchisor reserves and shall have the sole right to make changes in the Operational Systems Checklist, the System, policies and procedures and the Proprietary Marks at any time and without prior notice to Franchisee. Franchisee understands and agrees that due to changes in competitive circumstances, presently unforeseen changes in the needs of customers, and/or presently unforeseen technological innovations, the System must not remain static in order that it best serves the interest of Franchisor, Franchisees, and the System.
t.) Integration/merger clause	Franchise Agreement, Section 26.1; Section 28 of the Area Development Agreement	Only the terms of the franchise agreement are binding (subject to state law). Any promises outside the disclosure document and Franchise Agreement may not be enforceable.
u.) Dispute resolution by arbitration or mediation	Franchise Agreement, Sections 25.2, 25.3 and 25.4; Sections 12, 13 and 14 of the Area Development Agreement	You must first bring any claim or dispute between you and Franchisor to Franchisor’s legal counsel. If there is no resolution, you must agree to a face-to-face meeting with you, your attorney if you have retained one, a Franchisor representative and Franchisor’s legal counsel. This meeting may occur via a virtual face-to-face platform. Additionally, Franchisor reserves the right to establish a Peer Compliance Committee to review certain claims Franchisor or you may make of each other. If there is no resolution, at Franchisor’s option, you bring your claim or dispute to mediation. If there is no resolution under mediation, at Franchisor’s option, disputes shall be required to proceed to arbitration or litigation. This provision is subject to state law.

PROVISION	SECTION IN FRANCHISE OR RELATED AGREEMENTS	SUMMARY
v.) Choice of forum	Franchise Agreement, Sections 25.6 and 25.7; Sections 16 and 17 of the Area Development Agreement	24 th Judicial District Court for the Parish of Jefferson, Louisiana, or in the United States District Court for the Eastern District of Louisiana at Franchisor’s discretion, except in instances where Franchisor seeks injunctive relief (subject to applicable state law).
w.) Choice of law	Franchise Agreement, Section 25.1; Section 11 of the Area Development Agreement	Louisiana law applies without regard to its conflict of laws, La. C.C. Arts. 3515 seq., and any amendments and/or revisions (subject to applicable state law). The foregoing choice of law should not be considered a waiver of any right conferred upon the franchisor or the franchisee by Article 33 of the General Business Law of the State of New York.

NOTE 1: You are to select a site by executing an approved lease within 120 days and open your studio within 275 days of the agreement’s effective date. However, Franchisor has the option to grant an extension upon request.

Additional disclosures for Item 17 are required by some states and are noted in Exhibit [KJ](#) attached hereto.

Item 18
PUBLIC FIGURES

Franchisor currently uses the following public figure to promote its franchise.

Rachel Bradshaw receives monetary compensation from HOTWORX for personal appearances and social media engagement and endorsement, but Ms. Bradshaw does not receive any commission, referral or the like for franchises awarded as a result of her appearances, engagement or endorsement on social media. Ms. Bradshaw also appeared as a speaker at the annual HOTWORX convention. Ms. Bradshaw is an official brand ambassador for HOTWORX Franchising, L.L.C. Ms. Bradshaw does not manage or own an interest in HOTWORX.

In the past, Franchisor has used the following public figures to promote its franchise:

HOTWORX has compensated Jenny McCarthy with 10% commission for each franchise awarded as a result of Ms. McCarthy's referral and endorsement of the HOTWORX franchise. Ms. McCarthy does not manage or own an interest in HOTWORX.

HOTWORX has compensated Danette May with a complimentary HOTWORX unit and \$2,500 commission for each franchise awarded as a result of Ms. May's endorsement of the HOTWORX franchise. HOTWORX has produced blogs and social media posts featuring Ms. May. Ms. May was a featured speaker at HOTWORX Franchising, L.L.C.'s 2017 Franchise Convention. Ms. May does not manage or own an interest in HOTWORX.

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.

Company-Owned Financial Performance Representations:

During the 2023~~2~~ fiscal year, HOTWORX had four (4) operational company-owned studios and one (1) studio in development, ~~three (3) of which were operational for the full 2022 fiscal year.~~ HOTWORX also holds a minority interest in two (2) studios in New York, New York that opened during the 2023 fiscal year. HOTWORX makes no financial performance representation about these studios.

Franchised Outlets Financial Performance Representations:

Reasonable Basis for Financial Performance Representation: Franchised Outlets Historical Data

Some outlets have sold this amount. Your individual results may differ. There is no assurance that you will sell as much.

These studios are substantially similar to the studio you will operate if you decide to become a franchisee.

During the 2023 fiscal year, HOTWORX had 559 open franchise outlets, of which 401 studios were operational for the full 2023 fiscal year. The following representations are based on the performance of all 401 studios that were operational from January through December of 2023 as well as the performance of first and second-year franchise outlet studios that were open and operational during this same time period. Of these 401 franchise outlets, 169 were first full-year businesses and 82 were second-year businesses. The financials are unaudited.

Written substantiation for these representations will be made available to a prospective franchisee upon reasonable request.

~~Operational Studios 2023 Financial Performance Representations:~~

~~Reasonable Basis for Financial Performance Representation: Franchised Outlets Historical Data~~

~~Some outlets have sold this amount. Your individual results may differ. There is no assurance that you will sell as much.~~

~~During the 2022 fiscal year, HOTWORX had 407 operational franchise outlets. The following representations are based on the performance of 232 franchised outlet studios that were open from January through December of 2022. Of these 232 franchise outlet studios, 226 are traditional studios and 6 are express studios. Four franchise outlets had their respective soft openings in December of 2021 and did not have membership revenue as of January 1, 2022. As a result, these four franchise outlets have been excluded from Table 19.1 due to having only a partial year of financial data. Of the 232 franchised outlets accounted for, 4 are fifth year, 23 are fourth year, 58 are third year, 65 are second year, and 82 are first full year businesses. Table 19.1 is based on historical financial data as reported by franchisees, which is then provided to us by our proprietary software for our franchised locations. The accuracy of the reported figures is not verified by HOTWORX.~~

~~The franchise outlets have been classified into thirds: Top, Middle, and Bottom. There is a range of performance within each group.~~

~~The leading franchise outlet out of the 77 outlets in the Top Third had annual revenues of \$821,182 with an EBITDA of \$479,857. The bottom outlet in the Top Third had annual revenues of \$417,953 with an EBITDA of \$134,105. The average number of members for this group was 696.9 with a high of 1144 and a low of 481 and a median of 639.~~

~~The leading franchise outlet out of the 78 outlets in the Middle Third had annual revenues of \$456,323 with an EBITDA of \$132,977. The bottom outlet in the Middle Third had annual revenues of \$262,802 with an EBITDA of \$50,702. The average number of members for this group was 471.8 with a high of 692 and a low of 299 and a median of 469.~~

~~The leading franchise outlet out of the 77 outlets in the Bottom Third had annual revenues of \$212,101 with an EBITDA of \$49,529. The bottom outlet in the Bottom Third had annual revenues of \$96,641 with an EBITDA of \$(97,963). The average number of members for this group was 362.4 with a high of 564 and a low of 147 and a median of 354. Of the Top Third outlets, 30 outlets, 39%, met or exceeded the revenue average listed below. Of the Middle Third outlets, 40 outlets, 51%, met or exceeded the revenue average listed below. Of the Bottom Third outlets, 42 outlets, 55%, met or exceeded the revenue average listed below. Of all operational franchise outlets, 98 outlets, 42%, met or exceeded the revenue average listed below. Of all operational outlets, 212 outlets, 91.4% had an EBITDA reflecting a profit for 2022 Fiscal Year. The range for the 20 studios that had negative EBITDA was \$83.22 to \$97,693.~~

~~Of the Top Third outlets, 30 outlets, 39%, met or exceeded the revenue average listed below. Of the Middle Third outlets, 40 outlets, 51%, met or exceeded the revenue average listed below. Of the Bottom Third outlets, 42 outlets, 55%, met or exceeded the revenue average~~

listed below. Of all operational franchise outlets, 98 outlets, 42%, met or exceeded the revenue average listed below. Of all operational outlets, 212 outlets, 91.4% had an EBITDA reflecting a profit for 2022 Fiscal Year. The range for the 20 studios that had negative EBITDA was \$83.22 to \$97,693.

First Year Operational Studios 2023 Financial Performance Representations:
Reasonable Basis for Financial Performance Representation: Franchised Outlets Historical Data

Some outlets have sold this amount. Your individual results may differ. There is no assurance that you will sell as much.

These studios are substantially similar to the studio you will operate if you decide to become a franchisee.

All of the 169 studios accounted for below are first full-year businesses. Table 19.1 is based on historical financial data related to those 169 studios, which is provided to us by our proprietary software for our franchised locations. The financials are unaudited.

The franchise outlets have been classified into thirds: Top, Middle, and Bottom. There is a range of performance within each group.

The leading franchise outlet out of the 169 77 first full-year outlets, the franchise outlet with the highest EBITDA within this group, in the Top Third had annual Total Revenues during the 2023 fiscal year of \$697,444 821,182 with an EBITDA of \$363,224 479,857. The bottom outlet in the Top Third had annual revenues of \$417,953 with an EBITDA of \$134,105. The average number of members for this group was 696.9 with a high of 1144 and a low of 481 and a median of 639.

The leading franchise outlet out of the 78 outlets in the Middle Third had annual revenues of \$456,323 with an EBITDA of \$132,977. The bottom outlet in the Middle Third had annual revenues of \$262,802 with an EBITDA of \$50,702. The average number of members for this group was 471.8 with a high of 692 and a low of 299 and a median of 469.

The leading franchise outlet out of the 77 outlets in the Bottom Third had annual revenues of \$212,101 with an EBITDA of \$49,529.

The bottom last outlet in 169 first full-year outlets, the franchise outlet with the lowest EBITDA within this group, the Bottom Third had annual Total Revenues during the 2023 fiscal year of \$209,489 96,641 with an EBITDA of \$-(102,147) (97,963). The average number of members for this group was 362.4 with a high of 564 and a low of 147 and a median of 354.

The average number of memberships for first year studios was 440, the leading franchise outlet of the 169 first full-year outlets, the franchise outlet with the highest EBITDA within this group, had 1,112 members and the last outlet in the 169 first full-year outlets, the franchise outlet with the lowest EBITDA within this group, had 285 members. The median number of memberships for first year studios was 422.

~~[TABLE TO FOLLOW]~~

~~Of the Top Third outlets, 30 outlets, 39%, met or exceeded the revenue average listed below. Of the Middle Third outlets, 40 outlets, 51%, met or exceeded the revenue average listed below. Of the Bottom Third outlets, 42 outlets, 55%, met or exceeded the revenue average listed below. Of all operational franchise outlets, 98 outlets, 42%, met or exceeded the revenue average listed below. Of all operational outlets, 212 outlets, 91.4% had an EBITDA reflecting a profit for 2022 Fiscal Year. The range for the 20 studios that had negative EBITDA was \$83.22 to \$97,693.~~

Written substantiation for these representations will be made available to a prospective franchisee upon reasonable request.

~~[TABLE TO FOLLOW]~~

~~Table 19.1 – For 2023~~2~~ Fiscal Year – First Year Studios
Franchise Outlets Financial Performance Representations:~~

Reasonable Basis for Financial Performance Representation: Franchised Outlets Historical Data

	Top Third		Middle Third		Bottom Third		All Locations	
	Average	Median	Average	Median	Average	Median	Average	Median
Revenue								
Membership	384,923.32	371,353.15	277,099.05	275,702.74	201,646.69	201,316.18	287,825.84	279,241.76
Retail ¹	56,509.00	54,087.28	36,570.01	35,613.20	25,674.09	26,144.92	39,566.53	35,777.95
Total Revenue ²	\$ 441,432.32	\$ 422,322.60	\$ 313,669.06	\$ 310,797.34	\$ 227,320.78	\$ 227,726.67	\$ 327,392.37	\$ 317,934.96
Wholesale Goods Purchased ³	38,249.99	37,025.58	23,175.11	22,678.67	16,219.64	17,179.75	25,865.56	22,609.01
Gross Profit ⁴	403,182.33	394,020.56	290,493.95	291,370.88	211,101.14	211,721.95	301,526.80	345,048.43
Expenses								
Payroll and Taxes ⁵	93,286.05	98,613.19	74,566.41	71,195.03	68,888.48	69,190.23	78,887.92	76,378.48
Rent	57,226.05	57,640.65	62,093.50	63,315.00	63,348.19	64,440.48	60,896.37	61,779.06
Royalties ^{6, 17}	6,606.93	6,600.00	6,599.12	6,600.00	6,564.10	6,600.00	6,590.10	6,600.00
Accounting ⁷	3,025.10	2,396.64	2,051.88	1,248.52	2,778.20	1,108.89	2,615.04	1,451.64
Bank Charges	10,569.95	11,076.16	8,009.26	8,914.18	6,601.98	6,236.38	8,391.45	8,495.00
Insurance ⁹	5,530.75	5,564.11	5,617.29	5,374.53	5,696.46	5,670.15	5,614.85	5,565.75
Maintenance and Repairs	2,902.70	2,310.91	2,340.72	1,773.30	2,267.11	1,800.46	2,502.55	1,879.34
Marketing ^{10, 17}	28,910.39	27,787.51	27,245.06	25,930.49	26,690.37	25,539.22	27,613.09	26,201.93
Miscellaneous ¹¹	2,970.91	2,590.63	2,469.37	2,135.51	2,260.07	1,806.41	2,566.20	2,122.45
POS Fee ¹⁷	1,585.41	1,548.00	1,600.24	1,548.00	1,628.32	1,548.00	1,604.63	1,548.00
Staff Incentives	1,262.18	762.68	696.88	44.15	491.27	112.50	816.07	250.00
Supplies	4,845.04	4,544.66	4,110.48	3,885.58	3,153.80	2,994.03	4,036.88	3,713.60
Taxes and Licenses ¹²	1,098.92	-	835.61	183.36	595.03	-	843.14	25.00
Telephone and Internet	4,038.26	3,702.18	4,039.56	3,666.44	3,957.31	3,627.61	4,011.87	3,658.59
Travel ¹³	2,649.36	2,205.00	2,055.21	1,445.39	1,538.45	1,004.21	2,080.86	1,483.92
Utilities ¹⁴	18,703.51	16,594.05	16,331.27	17,219.78	16,226.73	16,337.09	17,082.70	16,572.35
Virtual Instructor Fee ^{15, 17}	1,844.07	1,855.00	1,779.72	1,860.00	1,782.04	1,742.50	1,801.81	1,830.00
Expense Totals	\$ 247,055.57	\$ 248,964.26	\$ 222,441.59	\$ 218,817.25	\$ 214,467.90	\$ 211,085.15	\$ 227,955.53	\$ 227,878.89
EBITDA ¹⁶	\$ 156,126.76	\$ 136,596.63	\$ 68,052.36	\$ 70,141.76	\$ (3,366.76)	\$ (2,168.79)	\$ 73,571.27	\$ 70,141.76

Of the Top Third outlets, 26 outlets (46%) met or exceeded the revenue average listed in Table 19.1. Of the Middle Third outlets, 27 outlets (47%) met or exceeded the revenue average listed in Table 19.1. Of the Bottom Third outlets, 29 outlets (52%) met or exceeded the revenue average listed in Table 19.1. Of all first full year franchise outlets, 79 outlets (47%) met or exceeded the revenue average listed in Table 19.1. Of all first full year operational outlets, 142 outlets (84%) had an EBITDA reflecting a profit for the 2023 Fiscal Year. Of all first full year operational outlets, 27 outlets (16%) had an EBITDA reflecting a loss for the 2023 Fiscal Year. The range of these losses was \$-(2,903) to \$-(102,147).

In 2023, there were 110 franchise outlets that conducted pre-sale and soft opened in 2023. Pre-sale occurs prior to soft opening and typically ranges between 60 to 120 days. Revenue collected during this time is primarily from enrollment fees and retail products including vending items. The foregoing studios are not represented in the chart illustrated in Table 19.1 due to having only a partial year of financial data.

Of the 110 franchise outlets that conducted pre-sale and soft opened during 2023, the average revenue generated during the pre-sale period was \$20,294.56 with a median of \$17,195.13. The highest amount of revenue for this group totaled \$59,013.36 and the lowest reported total was \$894.16.

Of the 110 franchise outlets that conducted pre-sale and soft opened during 2023, the average number of memberships sold prior to soft opening was 241. The highest number of memberships sold was 532 and the lowest number of memberships sold was 147. The median number of memberships sold during pre-sale was 217.

The average increase in EBITDA between first-and second-year studios was 43%, with a median increase in EBITDA between first and second-year studios of 13%.

Note 1: “Retail” includes retail sales, vending machine sales, and net gift card sales.

Note 2: “Total Revenue” means income generated from normal business operations and is the gross revenue figure from which operating costs/expenses are subtracted to determine EBITDA.

Note 3: “Wholesale Goods Purchased” means the total cost for wholesale goods purchases during the 2023+ fiscal year.

Note 4: “Gross Profit” means Total Revenue minus Wholesale Goods Purchased.

Note 5: “Payroll and Taxes” refers to payroll and associated payroll taxes.

Note 6: These franchise outlets paid royalties of ~~\$500.00~~ or \$550.00 or \$595.00 per month in accordance with the franchise agreement signed for that location. ~~Monthly royalty payments increased to \$550.00 per month in 2019.~~ Monthly royalty payments increased from \$550 to \$595 per month in 2023. See Item 6.

Note 7: ~~These figures relate to the cost for required insurance. Payment plans for insurance premiums vary with some paying premiums on an annual basis and others paying on periodic installment basis~~ These figures also include charges for monthly QuickBooks fee.

Note 8: These figures include merchant fees and fees for Nayax and Greenlite vending machine card reader services.

Note 9: These figures relate to the cost for required insurance. Payment plans for insurance premiums vary with some paying premiums on an annual basis and others paying on periodic installment basis.

Note 108: These expenses include Social Made Simple, Higher Visibility, Marq, SOCI, DYNAMIX, and the monthly SAIL fees. In April 2024, Drive became a social media advertising, search engine optimization and google advertising approved vendor on a trial basis. Franchisor will begin billing Marq and SOCI fees following completion of marketing on-boarding call and DYNAMIX fee during pre-marketing. Franchisees are required to spend a minimum of \$2,000.00 or 10% of gross monthly revenue, whichever is greater, on local advertising but are not prohibited from spending more if they choose to do so. Your required monthly spending will decrease to 5% of your gross revenue once your NET EFT reaches a monthly minimum of \$30,000.00 USD. Should your monthly NET EFT drop below \$30,000.00 USD, the monthly spend will increase to 10% of gross revenue or \$2,000 a month, whichever is greater. See Sections 10.1 and 13.2 of Franchise Agreement.

Note 119: These figures relate to operating costs that do not typically fit into one of the other categories on the list of expenses. These figures also include the ~~monthly~~ Secret Shopper inspection fee and RockBot subscription fee.

Note 1210: These figures account for such things as franchise taxes, taxes on assets and licenses. These figures do not include amounts for sales tax or payroll taxes. The amount and payment period for taxes and/or license fees varies depending on geographic location.

Note 1311: The required convention fee varies depending on the effective date of the franchise agreement. The annual convention fee ranges from \$590.00 - \$790.00 for two attendees. See Item 6.

Note 14: These figures also include monthly expenses related to Master Telecom/Brivo.

Note 1512: The Virtual Instructor fee will vary depending on the number of saunas a franchisee has. These figures also include the monthly Diet TRAX fee. The Virtual Instructor fee increased from a monthly fee of \$10.00 per sauna to a monthly fee of \$20.00 per sauna in 2023. See Item 6.

Note 1613: “EBITDA” is defined as earnings before interest, taxes, depreciation, and amortization, is a measure of a company’s overall financial performance and is used as an alternative to simple earnings or net income.

Note 174: Franchisor will begin billing monthly royalty, VI license, and Diet TRAX all-monthly fees the first month after Franchisee’s operations begin. Franchisor will begin billing the monthly

[Tech fee in the month following the signing of your Franchise Agreement. Franchisor will begin billing SAIL fee and POS fee upon installation of software for pre-sale.](#)

First Second Year Operational Studios 2023~~2~~ Financial Performance Representations:

Reasonable Basis for Financial Performance Representation: Franchised Outlets Historical Data

Some outlets have sold this amount. Your individual results may differ. There is no assurance that you will sell as much.

These studios are substantially similar to the studio you will operate if you decide to become a franchisee.

All of the 82 studios accounted for below are [second full-year businesses](#). ~~first full year businesses meaning those outlets completed their first full year of operations during 2022.~~ Table 19.2 is based on historical financial data related to those 82 studios as reported by franchisees, which is provided to us by our proprietary software for our franchised locations. [The financials are unaudited.](#) The accuracy of the reported figures is not verified by HOTWORX.

The group franchise outlets have ~~also~~ been classified into thirds: Top, Middle, and Bottom. There is a range of performance within each group.

The leading franchise outlet out of the [82 second full-year 27](#) outlets, [the franchise outlet with the highest EBITDA within this group, in the Top Third](#) had annual [Total Revenues for the 12 months of fiscal year 2023](#) of ~~\$850,174~~ [828,268](#) with an EBITDA of ~~\$517,996~~ [476,476](#). ~~The last outlet in the Top Third had annual revenues of \$364,190 with an EBITDA of \$117,434. The average number of members for this group was 656.5 with a high of 1070 and a low of 414 and a median of 629.~~

~~The leading franchise outlet out of the 28 outlets in the Middle Third had annual revenues of \$325,138 with an EBITDA of \$110,828. The last outlet in the Middle Third had annual revenues of \$275,477 with an EBITDA of \$37,323. The average number of members for this group was 469.7 with a high of 686 and a low of 323 and a median of 466.~~

~~The leading franchise outlet out of the 27 outlets in the Bottom Third had annual revenues of \$306,817 with an EBITDA of \$33,342.~~

The last outlet, [the franchise outlet with the lowest EBITDA within this group, in the Bottom Third](#) had annual [Total Revenues for the 12 months of fiscal year 2023](#) of ~~\$112,468~~ [96,641](#) with an EBITDA of ~~\$(96,609)~~ [\(97,963\)](#). ~~The average number of members for this group was 369.6 with a high of 517 and a low of 147 and a median of 372.~~

[The average number of memberships for second year studios was 466. The leading franchise outlet of the 82 second-year outlets, the franchise outlet with the highest EBITDA within this group, had](#)

1,068 members. The last outlet in the 82 second year outlets, the franchise outlet with the lowest EBITDA within this group, had 140 members. The median number of memberships for second-year studios was 418.

~~Of the Top Third outlets, 9 outlets, 33%, met or exceeded the revenue average listed below. Of the Middle Third outlets, 14 outlets, 50%, met or exceeded the revenue average listed above. Of the Bottom Third outlets, 13 outlets, 48%, met or exceeded the revenue average listed above. Of all first year operational franchise outlets, 31 outlets, 38%, met or exceeded the revenue average listed above. Of all first year operational outlets, 75 outlets, 91.5% had an EBITDA reflecting a profit for 2022 Fiscal Year. The range for the 7 studios that had negative EBITDA was -\$83.22 to -\$97,693.~~

Written substantiation for these representations will be made available to a prospective franchisee upon reasonable request.

[TABLE TO FOLLOW]

**Table 19.2 – For 2023~~2~~ Fiscal Year – ~~First~~Second Year Studios
Franchise Outlets Financial Performance Representations:**

Reasonable Basis for Financial Performance Representation: Franchised Outlets Historical Data

	Top Third		Middle Third		Bottom Third		All Locations	
	Average	Median	Average	Median	Average	Median	Average	Median
Revenue								
Membership	445,831.47	421,885.38	312,912.76	315,308.87	234,382.51	238,024.54	330,821.16	310,389.87
Retail ¹	50,016.45	48,772.05	32,139.67	30,442.65	22,159.63	20,910.16	34,739.82	31,158.49
Total Revenue ²	\$ 495,847.91	\$ 478,766.63	\$ 345,052.44	\$ 346,113.63	\$ 256,542.15	\$ 258,603.92	\$ 365,560.97	\$ 336,370.19
Wholesale Goods Purchased ³	34,100.76	33,868.28	23,481.96	22,034.27	16,371.14	14,621.56	24,637.03	22,592.48
Gross Profit ⁴	461,747.15	437,743.88	321,570.48	323,393.49	240,171.01	244,814.80	340,923.95	362,245.42
Expenses								
Payroll and Taxes ⁵	86,542.69	82,883.15	79,537.08	79,774.36	73,158.61	78,937.52	79,743.58	79,615.25
Rent	58,884.39	54,452.07	69,480.23	67,989.64	69,498.65	67,676.79	65,997.42	65,785.66
Royalties ^{6, 17}	6,585.19	6,600.00	6,576.79	6,600.00	6,752.18	6,600.00	6,637.30	6,600.00
Accounting	2,739.44	1,755.74	2,278.66	1,537.92	1,475.80	1,030.00	2,166.02	1,134.38
Bank Charges	12,465.98	12,520.47	7,751.20	9,029.50	6,760.21	7,987.73	8,977.33	8,937.54
Insurance ⁹	6,839.01	5,185.44	5,977.22	6,253.96	4,406.53	4,787.68	5,743.80	5,389.13
Maintenance and Repairs	3,980.65	3,229.17	3,320.49	3,300.16	2,572.60	2,118.43	3,291.61	2,921.50
Marketing ^{10, 17}	28,311.83	27,726.04	26,890.55	26,406.02	26,506.26	26,103.48	27,232.00	26,218.74
Miscellaneous ¹¹	2,512.17	2,487.43	2,431.62	2,490.30	2,031.99	1,974.00	2,326.56	2,101.13
POS Fee ¹⁷	1,668.95	1,548.00	1,745.11	1,548.00	1,584.18	1,548.00	1,667.04	1,548.00
Staff Incentives	836.26	430.00	543.50	196.20	610.29	12.34	661.89	186.20
Supplies	5,297.53	4,868.89	4,830.73	4,375.96	3,316.99	2,099.56	4,486.01	4,464.12
Taxes and Licenses ¹²	872.26	436.25	1,736.12	407.58	1,103.64	200.00	1,243.43	279.76
Telephone and Internet	4,006.19	3,750.35	4,104.21	3,938.06	3,853.30	3,290.79	3,989.32	3,726.96
Travel ¹³	2,876.50	2,014.21	2,229.28	1,223.88	1,426.54	844.43	2,178.07	1,427.84
Utilities ¹⁴	18,961.72	17,484.57	17,262.58	16,807.58	16,802.97	16,940.70	17,670.72	16,961.95
Virtual Instructor Fee ^{15, 16}	1,760.70	1,740.00	1,693.71	1,740.00	1,744.96	1,740.00	1,732.65	1,740.00
Expense Totals	\$ 245,141.47	\$ 238,826.64	\$ 238,389.10	\$ 244,792.53	\$ 223,605.73	\$ 215,082.06	\$ 235,744.74	\$ 234,381.18
EBITDA ¹⁶	\$ 216,605.68	\$ 192,358.91	\$ 83,181.38	\$ 79,481.38	\$ 16,565.28	\$ 18,941.48	\$ 105,179.20	\$ 79,481.38

Of the Top Third outlets, 9 outlets (33%) met or exceeded the revenue average listed in Table 19.2. Of the Middle Third outlets, 14 outlets (50%) met or exceeded the revenue average listed in Table 19.2. Of the Bottom Third outlets, 15 outlets (56%) met or exceeded the revenue average listed in Table 19.2. Of all second-year operational franchise outlets, 33 outlets (40%) met or exceeded the revenue average listed in Table 19.2. Of all second full year operational outlets, 4 outlets (5%) had an EBITDA reflecting a loss for the 2023 Fiscal Year. The range of these losses was \$-(2,789) to \$-(96,670).

The average increase in EBITDA between first- and second-year studios was 43%, with a median increase in EBITDA between first- and second-year studios of 13%, while the average increase in EBITDA between second- and third-year studios was 25%, with a median increase in EBITDA between second- and third-year studios of 17%.

Note 1: “Retail” includes retail sales, vending machine sales, and net gift card sales.

Note 2: “Total Revenue” means income generated from normal business operations [for the full 12-month period during the 2023 fiscal year](#) and is the gross revenue figure from which operating costs/expenses are subtracted to determine EBITDA.

Note 3: “Wholesale Goods Purchased” means the total cost for wholesale goods purchases during the [2023+ fiscal year](#).

Note 4: “Gross Profit” means Total Revenue minus Wholesale Goods Purchased.

Note 5: “Payroll and Taxes” refers to payroll and associated payroll taxes.

Note 6: These franchise outlets paid royalties of ~~\$500.00 or \$550.00~~ [or \\$595.00](#) per month in accordance with the franchise agreement signed for that location. ~~Monthly royalty payments increased to \$550.00 per month in 2019.~~ Monthly royalty payments increased to [from \\$550 to \\$595.00](#) per month in 2023. See Item 6.

[Note 7: These figures also include charges for monthly QuickBooks fee.](#)

[Note 8: These figures include merchant fees and fees for Nayax and Greenlite vending machine card reader services.](#)

Note 97: These figures relate to the cost for required insurance. Payment plans for insurance premiums vary with some paying premiums on an annual basis and others paying on periodic installment basis.

Note 108: These expenses include [Social Made Simple, Higher Visibility, Marq, SOCi, DYNAMIX, and](#) the monthly SAIL fees. [In April 2024, Drive became a social media advertising approved vendor on a trial basis.](#) Franchisees are required to spend a minimum of \$2000.00 or 10% of gross monthly revenue, whichever is greater, on local advertising but are not prohibited from spending more if they choose to do so. Your required monthly spending will decrease to 5% of your gross revenue once your NET EFT reaches a monthly minimum of \$30,000.00 USD. Should your monthly NET EFT drop below \$30,000.00 USD, the monthly spend will increase to 10% of gross revenue or \$2,000 a month, whichever is greater. See Sections 10.1 and 13.2 of Franchise Agreement.

Note 119: These figures relate to operating costs that do not typically fit into one of the other categories on the list of expenses. These figures also include the monthly Secret Shopper inspection fee [and RockBot subscription fee.](#)

Note 1210: These figures account for such things as franchise taxes, taxes on assets and licenses. These figures do not include amounts for sales tax or payroll taxes. The amount and payment period for taxes and/or license fees varies depending on geographic location.

Note 1311: The required convention fee varies depending on the effective date of the franchise agreement. The annual convention fee ranges from \$590.00 - \$790.00 for two attendees. See Item 6.

[Note 14: These figures also include monthly expenses related to Master Telecom/Brivo.](#)

Note 1512: The Virtual Instructor fee will vary depending on the number of saunas a franchisee has. The Virtual Instructor fee increased from a monthly fee of \$10.00 per sauna to a monthly fee of \$20.00 per sauna in 2023. [These figures also include the monthly Diet TRAX fee.](#) See Item 6.

Note 1613: “EBITDA” is defined as earnings before interest, taxes, depreciation, and amortization, is a measure of a company’s overall financial performance and is used as an alternative to ~~simple~~y earnings or net income.

Note 1714: Franchisor will begin billing ~~all~~ monthly [royalty, VI license, and Diet TRAX](#) fees the first month after Franchisee’s operations begin. [Franchisor will begin billing monthly Tech fee in the month following the signing of your Franchise Agreement. Franchisor will begin billing SAIL fee and POS fee upon installation of software for pre-sale.](#)

[Written substantiation for these representations will be made available to a prospective franchisee upon reasonable request.](#)

All Operational Studios 2023 Financial Performance Representations:

Reasonable Basis for Financial Performance Representation: Franchised Outlets Historical Data

Some outlets have sold this amount. Your individual results may differ. There is no assurance that you will sell as much.

These studios are substantially similar to the studio you will operate if you decide to become a franchisee.

During the 2023 fiscal year, HOTWORX had 401 operational franchise outlets that were opened for all twelve months of 2023. The following representations are based on the performance of these 401 studios.

The franchise outlets have been classified into thirds: Top, Middle, and Bottom. There is a range of performance within each group.

The leading franchise outlet out of the 401 outlets, the studio with the highest EBITDA within this group, had annual Total Revenues of \$850,174 with an EBITDA of \$518,786.

The last outlet in the 401 outlets, the studio with the lowest EBITDA within this group, had annual Total Revenues in 2023 of \$209,489 with an EBITDA of $-(102,147)$.

The average number of memberships for these 401 studios was 463. The leading franchise outlet of these 401 studios, the studio with the highest EBITDA within this group, had 1,068 members. The last outlet of these 401 studios, the studio with the lowest EBITDA within this group, had 285 members. The median number of memberships for the 401 studio outlets was 441.

During the 2023 fiscal year, the average weekly usage rate for the 401 operational franchise outlets was 29% with a high of 36.8% and a low of 24.3%. The median weekly usage rate was 27.81%. The usage rate measures the total number of memberships utilized by active members per week. The usage rate is equal to the total number of active members at week's end divided by the number of active members who booked at least one (1) session during the week.

During 2023 fiscal year, the average monthly cancellation rate for the 401 operational franchise outlets was 5.78% with a high of 6.9% and a low of 5.1%. The median cancellation rate was 5.6%. The cancellation rate measures the total number of active members versus the total number of membership cancellations by month, calculated by the total active members at month end for each studio divided by the total number of cancellations at months end.

Written substantiation for these representations will be made available to a prospective franchisee upon reasonable request.

General Notes to Item 19:

Other than the preceding financial performance representation, HOTWORX does 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 Nancy Price, our Senior Vice President of Franchise Recruitment at 5145 Taravella Rd, Marrero, LA 70072 and at nancy@hotworx.net, the Federal Trade Commission, and the appropriate state regulatory agencies.

Item 20
OUTLETS AND FRANCHISE INFORMATION

TABLE NO.1

System-wide Outlet Summary for Fiscal Years January 1, 20210 to December 31, 20232

OUTLET TYPE	YEAR	OUTLETS AT THE START OF THE YEAR	OUTLETS AT THE END OF THE YEAR	NET CHANGE
FRANCHISED	2021	153	233	+80
	2022	233	405	+172
	2023	<u>405</u>	<u>576</u>	<u>+171</u>
COMPANY-OWNED	2021	3	3	0
	2022	3	4	+1
	2023	<u>4</u>	<u>6</u>	<u>+2</u>
TOTAL OUTLETS	2021	156	236	+80
	2022	236	409	+173
	2023	<u>409</u>	<u>582</u>	<u>173</u>

NOTE 1: In the past three years, some franchisees have signed confidentiality clauses. In some instances, current and former franchisees sign provisions restricting their ability to speak openly about their experience with HOTWORX Franchising, L.L.C. You may wish to speak with current and former franchisees, but be aware that not all of those franchisees will be able to communicate with you.

TABLE NO. 2

Transfers of outlets from franchisees to new owners
(other than franchisor or an affiliate) for years of 20210 to 20232

STATE	YEAR	NUMBER OF TRANSFERS
ALABAMA	2021	1
	2022	2
	<u>2023</u>	<u>1</u>
ARKANSAS	2021	0
	2022	0
	<u>2023</u>	<u>3</u>
ARIZONA	2021	0
	2022	1
	<u>2023</u>	<u>2</u>
CALIFORNIA	2021	2
	2022	0
	<u>2023</u>	<u>0</u>

COLORADO	2021	0
	2022	1
	2023	2
FLORIDA	2021	1
	2022	0
	2023	1
GEORGIA	2021	1
	2022	4
	2023	0
IOWA	2021	0
	2022	0
	2023	1
ILLINOIS	2021	0
	2022	0
	2023	0
INDIANA	2021	0
	2022	0
	2023	0
KANSAS	2021	0
	2022	1
	2023	0
KENTUCKY	2021	0
	2022	0
	2023	0
LOUISIANA	2021	0
	2022	0
	2023	0
MASSACHUSETTS	2021	0
	2022	0
	2023	0
MICHIGAN	2021	0
	2022	0
	2023	3
MINNESOTA	2021	0
	2022	0
	2023	1
MISSISSIPPI	2021	0
	2022	0
	2023	0
MISSOURI	2021	0
	2022	0
	2023	1
MONTANA	2021	0
	2022	0
	2023	0

NEBRASKA	2021	0
	2022	0
	2023	0
NEW HAMPSHIRE	2021	0
	2022	0
	2023	1
NEW JERSEY	2021	0
	2022	0
	2023	0
NEW MEXICO	2021	0
	2022	0
	2023	1
NEVADA	2021	0
	2022	0
	2023	0
NORTH CAROLINA	2021	0
	2022	0
	2023	1
OHIO	2021	0
	2022	0
	2023	0
OKLAHOMA	2021	4
	2022	0
	2023	1
OREGON	2021	0
	2022	0
	2023	0
PENNSYLVANIA	2021	0
	2022	0
	2023	0
SOUTH CAROLINA	2021	0
	2022	0
	2023	0
SOUTH DAKOTA	2021	0
	2022	0
	2023	0
TENNESSEE	2021	1
	2022	1
	2023	1
TEXAS	2021	0
	2022	3
	2023	6
UTAH	2021	0
	2022	0
	2023	0

VIRGINIA	2021	0
	2022	0
	2023	0
WASHINGTON	2021	0
	2022	0
	2023	0
WISCONSIN	2021	0
	2022	0
	2023	1
TOTAL	2021	10
	2022	13
	2023	27

NOTE 1: In the past three years, some franchisees have signed confidentiality clauses. In some instances, current and former franchisees sign provisions restricting their ability to speak openly about their experience with HOTWORX Franchising, L.L.C. You may wish to speak with current and former franchisees, but be aware that not all of those franchisees will be able to communicate with you.

TABLE NO. 3
Status of franchised outlets for years 202~~10~~ to 2023~~2~~

STATE	YEAR	OUTLETS AT START OF YEAR	OUTLETS OPENED	TERMINATIONS	NON-RENEWALS	REAIQUIRED BY FRANCHISOR	CEASED OPERATIONS	OUTLETS AT END OF YEAR
AL	2021	4	3	0	0	0	0	7
	2022	7	3	0	0	0	0	10
	2023	10	3	0	0	0	0	13
AR	2021	8	0	0	0	0	0	8
	2022	8	2	0	0	0	0	10
	2023	10	0	0	0	0	0	10
AZ	2021	3	3	0	0	0	0	6
	2022	6	3	0	0	0	0	9
	2023	9	2	0	0	0	0	11
CA	2021	3	2	0	0	0	0	5
	2022	5	9	0	0	0	0	14
	2023	14	9	0	0	0	0	23
CO	2021	2	4	0	0	0	0	6
	2022	6	7	0	0	0	0	13
	2023	13	3	0	0	0	0	16
FL	2021	12	6	0	0	0	0	18
	2022	18	8	0	0	0	0	26
	2023	26	12	0	0	0	0	38
GA	2021	10	4	0	0	0	0	14
	2022	14	8	0	0	0	0	22

	2023	22	4	0	0	0	0	26
IA	2021	2	0	0	0	0	0	2
	2022	2	4	0	0	0	0	6
	2023	6	4	0	0	0	0	10
ID	2021	0	0	0	0	0	0	0
	2022	0	2	0	0	0	0	2
	2023	2	2	0	0	0	0	4
IL	2021	1	1	0	0	0	0	2
	2022	2	1	0	0	0	0	3
	2023	3	7	0	0	0	0	10
IN	2021	3	1	0	0	0	0	4
	2022	4	5	0	0	0	0	9
	2023	9	1	0	0	0	0	10
KS (Note 2)	2021	5	0	0	0	0	1	4
	2022	4	2	0	0	0	0	6
	2023	6	0	0	0	0	0	6
KY	2021	2	2	0	0	0	0	4
	2022	4	1	0	0	0	0	5
	2023	5	2	0	0	0	0	7
LA	2021	7	4	0	0	0	0	11
	2022	11	3	0	0	0	0	14
	2023	14	5	0	0	0	0	19
MD	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
	2023	0	2	0	0	0	0	2
MA	2021	0	1	0	0	0	0	1
	2022	1	0	0	0	0	0	1
	2023	1	4	0	0	0	0	5
MI	2021	3	0	0	0	0	0	3
	2022	3	5	0	0	0	0	8
	2023	8	3	0	0	0	0	11
MN	2021	0	2	0	0	0	0	2
	2022	2	4	0	0	0	0	6
	2023	6	3	0	0	0	0	9
MO	2021	3	2	0	0	0	0	5
	2022	5	6	0	0	0	0	11
	2023	11	5	0	0	0	0	16
MS	2021	4	0	0	0	0	0	4
	2022	4	4	0	0	0	0	8
	2023	8	3	0	0	0	0	11
MT	2021	0	0	0	0	0	0	0
	2022	0	1	0	0	0	0	1
	2023	1	0	0	0	0	0	1
NC	2021	4	1	0	0	0	0	5
	2022	5	7	0	0	0	0	12
	2023	12	5	0	0	0	0	17
ND	2021	0	1	0	0	0	0	1
	2022	1	1	0	0	0	0	2
	2023	2	0	0	0	0	0	2

NE	2021	5	2	0	0	0	0	7
	2022	7	6	0	0	0	0	13
	2023	<u>13</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>14</u>
NH	2021	1	0	0	0	0	0	1
	2022	1	1	0	0	0	0	2
	2023	<u>2</u>	<u>4</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>6</u>
NJ	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
	2023	<u>0</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1</u>
NM	2021	0	0	0	0	0	0	0
	2022	0	1	0	0	0	0	1
	2023	<u>1</u>	<u>3</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>4</u>
NY	2021	0	0	0	0	0	0	0
	2022	0	2	0	0	0	0	2
	2023	<u>2</u>	<u>2</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>4</u>
NV	2021	2	1	0	0	0	0	3
	2022	3	3	0	0	0	0	6
	2023	<u>6</u>	<u>4</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>10</u>
OH	2021	0	3	0	0	0	0	3
	2022	3	4	0	0	0	0	7
	2023	<u>7</u>	<u>4</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>11</u>
OK	2021	6	1	0	0	0	0	7
	2022	7	4	0	0	0	0	11
	2023	<u>11</u>	<u>3</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>14</u>
OR	2021	0	1	0	0	0	0	1
	2022	1	1	0	0	0	0	2
	2023	<u>2</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>3</u>
PA	2021	0	0	0	0	0	0	0
	2022	0	2	0	0	0	0	2
	2023	<u>2</u>	<u>4</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>6</u>
SC	2021	1	2	0	0	0	0	3
	2022	3	1	0	0	0	0	4
	2023	<u>4</u>	<u>4</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>8</u>
SD	2021	0	0	0	0	0	0	0
	2022	0	1	0	0	0	0	1
	2023	<u>1</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2</u>
TN	2021	10	4	0	0	0	0	14
	2022	14	10	0	0	0	0	24
	2023	<u>24</u>	<u>2</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>26</u>
TX	2021	49	21	0	0	0	0	70
	2022	70	42	0	0	0	0	112
	2023	<u>112</u>	<u>43</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>155</u>
UT	2021	3	3	0	0	0	0	6
	2022	6	5	0	0	0	0	11
	2023	<u>11</u>	<u>3</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>14</u>
VA	2021	0	2	0	0	0	0	2
	2022	2	0	0	0	0	0	2
	2023	<u>2</u>	<u>5</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>7</u>
WA	2021	0	2	0	0	0	0	2

	2022	2	3	0	0	0	0	5
	2023	<u>5</u>	<u>4</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>9</u>
WI	2021	0	2	0	0	0	0	2
	2022	2	0	0	0	0	0	2
	2023	<u>2</u>	<u>2</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>4</u>
WV	2021	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
	2022	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
	2023	<u>0</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1</u>
TOTAL	2021	153	81	0	0	0	1	233
	2022	233	172	0	0	0	0	405
	2023	<u>405</u>	<u>171</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>576</u>

NOTE 1: In the past three years, some franchisees have signed confidentiality clauses. In some instances, current and former franchisees sign provisions restricting their ability to speak openly about their experience with HOTWORX Franchising, L.L.C. You may wish to speak with current and former franchisees, but be aware that not all of those franchisees will be able to communicate with you.

NOTE 2: The franchise outlet ceased operations in 2021 in connection with a landlord dispute.

TABLE NO. 4
Status of company owned locations for years 2021 to 2023

STATE	YEAR	OUTLETS AT START OF YEAR	OUTLETS OPENED	REQUIRED FROM FRANCHISEE	OUTLETS CLOSED	OUTLETS SOLD TO FRANCHISEE	OUTLETS AT END OF YEAR
IL	2021	1	0	0	0	0	1
	2022	1	0	0	0	0	1
	2023	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1</u>
LA	2021	1	0	0	0	0	1
	2022	1	1	0	0	0	2
	2023	<u>2</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2</u>
MS	2021	1	0	0	0	0	1
	2022	1	0	0	0	0	1
	2023	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1</u>
NY	2021	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
	2022	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
	2023	<u>0</u>	<u>2</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2</u>
TOTAL	2021	3	0	0	0	0	3
	2022	3	1	0	0	0	4
	2023	<u>4</u>	<u>2</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>6</u>

NOTE 1: In the past three years, some franchisees have signed confidentiality clauses. In some instances, current and former franchisees sign provisions restricting their ability to speak openly about their experience with HOTWORX Franchising, L.L.C. You may wish to speak with current and former franchisees, but be aware that not all of those franchisees will be able to communicate with you.

TABLE NO. 5
 Projected openings as of December 31, 202~~3~~2

State	Franchise Agreement Signed But Outlet Not Yet Opened	Projected New Franchised Outlets in the Next Fiscal Year (2024)	Projected New Company-Owned Outlets in the Next Fiscal Year (2024)
Alabama	<u>2</u>	<u>1</u>	0
Alaska	<u>0</u>	<u>0</u>	0
Arkansas	<u>1</u>	<u>1</u>	0
Arizona	<u>6</u>	<u>7</u>	0
California	<u>28</u>	<u>24</u>	0
Colorado	<u>8</u>	<u>6</u>	0
Connecticut	<u>1</u>	<u>1</u>	0
Florida	<u>22</u>	<u>15</u>	0
Georgia	<u>9</u>	<u>8</u>	0
Hawaii	<u>1</u>	<u>0</u>	0
Idaho	<u>1</u>	<u>1</u>	0
Illinois	<u>8</u>	<u>3</u>	0
Indiana	<u>4</u>	<u>1</u>	0
Iowa	<u>3</u>	<u>2</u>	0
Kansas	<u>2</u>	<u>1</u>	0
Kentucky	<u>2</u>	<u>2</u>	0
Louisiana	<u>7</u>	<u>4</u>	<u>1</u>
Maryland	<u>2</u>	<u>2</u>	0
Massachusetts	<u>1</u>	<u>1</u>	0
Michigan	<u>4</u>	<u>1</u>	0

Minnesota	<u>6</u>	<u>4</u>	0
Missouri	<u>2</u>	<u>1</u>	0
Mississippi	<u>3</u>	<u>1</u>	0
Montana	<u>1</u>	<u>0</u>	0
Nebraska	<u>1</u>	<u>1</u>	0
Nevada	<u>1</u>	<u>0</u>	0
New Hampshire	<u>3</u>	<u>2</u>	0
New Jersey	<u>5</u>	<u>3</u>	0
New Mexico	<u>5</u>	<u>1</u>	0
New York	<u>10</u>	<u>10</u>	0
North Carolina	<u>14</u>	<u>7</u>	0
North Dakota	<u>0</u>	<u>0</u>	0
Ohio	<u>6</u>	<u>3</u>	0
Oklahoma	<u>3</u>	<u>2</u>	0
Oregon	<u>2</u>	<u>1</u>	0
Pennsylvania	<u>5</u>	<u>2</u>	0
South Carolina	<u>4</u>	<u>3</u>	0
South Dakota	<u>0</u>	<u>0</u>	0
Tennessee	<u>5</u>	<u>4</u>	0
Texas	<u>35</u>	<u>35</u>	0
Utah	<u>4</u>	<u>3</u>	0
Virginia	<u>3</u>	<u>1</u>	0
Washington	<u>10</u>	<u>6</u>	0
West Virginia	<u>1</u>	<u>3</u>	0
Wisconsin	<u>2</u>	<u>3</u>	0

Wyoming	<u>0</u>	<u>0</u>	0
International	<u>1</u>	<u>1</u>	0
Totals	<u>244</u>	<u>178</u>	<u>19</u>

NOTE 1: In the past three years, some franchisees have signed confidentiality clauses. In some instances, current and former franchisees sign provisions restricting their ability to speak openly about their experience with HOTWORX Franchising, L.L.C. You may wish to speak with current and former franchisees, but be aware that not all of those franchisees will be able to communicate with you.

Exhibit C of this disclosure document contains a list of our current franchisees and the addresses and telephone number of each of their respective outlets. Exhibit D contains a list of every franchisee who had an outlet terminated, canceled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under the franchise agreement during the most recently completed fiscal year or who has not communicated with the franchisor within 10 weeks of the disclosure document issuance date. If you buy this franchise, your contact information may be disclosed to other prospective or current franchisees when you leave the franchise system.

Item 21
FINANCIAL
STATEMENTS

Attached to this disclosure document as Exhibit E is our audited December 31, 202~~1~~⁰, December 31, 202~~2~~¹ and December 31, 202~~3~~² financial statements for HOTWORX® Franchising, LLC's prior three full fiscal years selling franchises.

Item 22
CONTRACTS

Exhibits F, G, H and I of this disclosure document contain all proposed contracts, including the following agreements:

Exhibit F – Single Unit Franchise Agreement

Exhibit 1 – Schedule of Authorized and Approved Products and Services

Exhibit 2 - Approved Location and Territory Addendum

Exhibit 3 - Guaranty Agreement and Acknowledgment by Guarantor

Exhibit 4 - Rider to Lease

Exhibit 5 – Software License Agreement

Exhibit 6 - Confidentiality and Non-Competition Agreement

Exhibit 7 - Conditional Assignment of Franchisee's Telephone Numbers, Email Addresses, Social Media and Other URLs

Exhibit 8 - Statement of Prospective Franchisee

Exhibit G - Area Development Agreement

Exhibit H - Termination of Franchise Agreement and Release Upon Transfer to An Authorized Franchisee

Exhibit I - Confidentiality Agreement

[Exhibit J – Financing Agreement](#)

Item 23
RECEIPT

Exhibit [LK](#) of this disclosure document contains a detachable document, in duplicate, acknowledging receipt of this Franchise Disclosure Document by a prospective franchisee. You should sign both copies of the Receipt. You should retain one copy for your records and return the other signed copy to: HOTWORX® Franchising, LLC, 5161 Taravella Road, Marrero, Louisiana 70072.

EXHIBIT A

**HOTWORX® FRANCHISING, LLC
FRANCHISE DISCLOSURE DOCUMENT**

LIST OF STATE ADMINISTRATORS

California Department of Financial Protection and Innovation 320 West 4 th Street, Suite 750 Los Angeles, California 90010-1105 (213) 576-7500	NYS Department of Law Investor Protection Bureau 28 Liberty Street, 21st Floor New York, NY 10005 (212) 416-8222
Florida Department of Agricultural & Consumer Services Division of Consumer Services Mayo Building, Second Floor Tallahassee, Florida 32399-0800 (904) 922-2770	North Dakota Securities Department 600 East Boulevard Avenue State Capitol, Fifth Floor, Department 414 Bismarck, North Dakota 58505-0510 (701) 328-4712
Hawaii Department of Commerce and Consumer Affairs Business Registration Division 335 Merchant Street Room 203 Honolulu, HI 96813 (808) 586-2722	Oregon Department of Consumer and Business Services Division of Finance and Corporate Securities Labor and Industries Building P.O. Box 14610 Salem, Oregon 97310 (503) 378-4387
Illinois Office of Attorney General Franchise Division 500 South Second Street Springfield, Illinois 62701 (217) 782-4465	Chief Securities Examiner State of Rhode Island Dept. of Business Regulations Securities Division 1511 Pontiac Avenue Building 69-1 Cranston, Rhode Island 02920 (401) 222-3048
Indiana Securities Division 302 West Washington Street Room E-111 Indianapolis, Indiana 46204 (317) 232-6531	South Dakota Division of Insurance Securities Regulation 124 S. Euclid, Suite 104 Pierre, SD 57501 (605) 773-3563

<p>Kentucky Office of the Attorney General Consumer Protection Division 1024 Capital Center Drive, Suite 200 Frankford, Kentucky 40601 (502) 696-5389</p>	<p>Texas Secretary of State Statutory Document Section P.O. Box 12887 Austin, Texas 78711 (512) 463-5600</p>
<p>State of Maryland Office of the Attorney General Division of Securities 200 St. Paul Place, 20th Floor Baltimore, Maryland 21202 (410) 576-6360</p>	<p>State of Utah Division of Consumer Protection P.O. Box 45804 Salt Lake City, Utah 84145-0804 (801) 530-6601</p>
<p>Michigan Attorney General's Office Consumer Protection Division Attn: Franchise Section G. Mennen Williams, Bldg., First Floor Lansing, Michigan 48933 (517) 335-7567</p>	<p>Virginia State Corporation Commission Division of Securities and Retail Franchising 1300 East Main Street, 9th Floor Richmond, Virginia 23219 (804) 371-9276</p>
<p>Minnesota Department of Commerce 85 7th Place East, Suite 280 St. Paul, Minnesota 55101-2198 (651) 539-1600</p>	<p>State of Washington Department of Financial Institutions 150 Israel Road SW Tumwater, WA 98501 (360) 902-8769</p>
<p>Nebraska Department of Banking and Finance P.O. Box 95006 1526 K Street, Suite 300 Lincoln, Nebraska 68508-5006 (402) 471-3445</p>	<p>Wisconsin Division of Securities 101 East Wilson Street, 4 Floor Madison, Wisconsin 53703 (608) 266-3431</p>

EXHIBIT B
HOTWORX® FRANCHISING, LLC
FRANCHISE DISCLOSURE DOCUMENT
AGENTS FOR SERVICE OF PROCESS

<p>California Department of Financial Protection and Innovation 320 West 4th Street Los Angeles, CA 90013-2344</p>	<p>New York Secretary of State 99 Washington Avenue Albany, NY 12231</p>
<p>Hawaii Department of Commerce and Consumer Affairs Business Registration Division Commissioner of Securities 335 Merchant Street Room 203 Honolulu, HI 96813</p>	<p>North Dakota North Dakota Securities Department 600 East Boulevard Avenue State Capitol, Fifth Floor Bismarck, North Dakota 58505-0510 (701) 328-4712</p>
<p>Illinois Office of the Attorney General 500 South Second Street Springfield, IL 62701</p>	<p>Rhode Island Director of Department of Business Regulation 1511 Pontiac Avenue John O. Pastore Complex – Building 69-1 Cranston, Rhode Island 02920</p>
<p>Indiana Secretary of State Securities Division 302 West Washington Street Indianapolis, IN 46204</p>	<p>South Dakota Division of Insurance Securities Regulation 124 S. Euclid, Suite 104 Pierre, SD 57501</p>
<p>Maryland Maryland Securities Commissioner 200 St. Paul Place Baltimore, MD 21202</p>	<p>Virginia Clerk of the State Corporation Commission 1300 East Main Street, First Floor Richmond, VA 23219</p>
<p>Michigan Corporations and Securities Bureau of the Department of Commerce 611 W. Ottawa P.O. Box 30004 Lansing, MI 48909</p>	<p>Washington Department of Financial Institutions 150 Israel Road Tumwater, WA 98501</p>

<p>Minnesota Commissioner of Commerce Department of Commerce 85 7th Place East, Suite 280 St. Paul, MN 55101-2198</p>	<p>Wisconsin Commissioner of Securities 101 East Wilson Street, 4th Floor Madison, WI 53702</p>
---	---

EXHIBIT C

HOTWORX® FRANCHISING, LLC FRANCHISE DISCLOSURE DOCUMENT

LIST OF FRANCHISEES

*Displays the state-by-state list of all Franchise Outlets				
Location Code	Franchisee Name	Franchisee Email	Franchisee Phone	Location Address
ALABAMA				
AL0001	John Mark Ware (Note 1)	mark.ware@hotworx.net	(205) 710-7475	1306 University Blvd Tuscaloosa, AL 35401
AL0002	John Mark Ware (Note 1)	mark.ware@hotworx.net	(205) 502-7898	2000 5th Ave South Birmingham, AL
AL0006	Arria Hines Danica Kempinski (Note 1)	arria.hines@hotworx.net danica.kempinski@hotworx.net	(205) 502-7511	790 Montgomery Hwy Vestavia Hills, AL 35216
AL0008	Angela Mott Burgess (Note 1)	angela.burgess@hotworx.net	(334) 440-8111	7252 Halcyon Park Dr. Montgomery, AL 36117
AL0009	Kevin Darick Sargent Kristen Sargent	kevin.sargent@hotworx.net kristen.sargent@hotworx.net	(205) 767-6767	106 South Chalkville Road Trussville, AL 35173
AL0017	Nina Snider Missy Beasley	nina.snider@hotworx.net missy.beasley@hotworx.net	(205) 438-6363	2786 John Hawkins Pkwy Hoover, AL 35244
AL0018	Angela Mott Burgess John Burgess (Note 1)	Angela.burgess@hotworx.net John.burgess@hotworx.net	(334) 649-8618	1876 East Main St. Prattville, AL 36066
AL0020	Todd Reeves Leigh Reeves (Note 1)	todd.reeves@hotworx.net leigh.reeves@hotworx.net	(256) 325-2456	419 John Henry Way Madison, AL 35757
AL0024	Gregory Lane Amy Lane (Note 1)	gregory.lane@hotworx.net amy.lane@hotworx.net	(334) 734-2762	234 N Gay St Auburn, AL 36830

AL0025	Aron Tetsu Matsuyama Abigail Matsuyama	aron.matsuyama@hotworx.net by.matsuyama@hotworx.net	(256) 513-5688	4800 Whitesburg Dr Huntsville, LA 35808
AL0026	Michael Gene Crase Lauren Crase	michael.crase@hotworx.net lauren.crase@hotworx.net	(205) 494-7370	611 Doug Baker Blvd. Suite 114 Birmingham, AL 35242
AL0027	Heather Hunt CJ Hunt	heather.hunt@hotworx.net cj.hunt@hotworx.net	(251) 332-2042	160 Cotton Creek Drive Gulf Shores, AL 36542
AL0028	Samantha Daigre Kendrick Jonath an Kendrick (Note 1)	sam.kendrick@hotworx.net jonathan.kendrick@hotworx.net	(251) 219-0006	4364 Old Shell Rd. Suite 5A Mobile, AL 36608
ARKANSAS				
AR0001	Michael McNamara (Note 1)	michael.mcnamara@hotworx.net	(501) 909-5102	20320 I-30 North Benton, AR 72019
AR0002	Michael McNamara Sahil Hameerani Taylor Crews Joshua Wade Crews (Note 1)	michael.mcnamara@hotworx.net sahil.hameerani@hotworx.net taylor.crews@hotworx.net wade.crews@hotworx.net	(479) 249-9015	3484 W. Wedington Fayetteville, AR 72704
AR0003	Michael McNamara Sahil Hameerani Taylor Crews Joshua Wade Crews (Note 1)	michael.mcnamara@hotworx.net sahil.hameerani@hotworx.net taylor.crews@hotworx.net wade.crews@hotworx.net	(479) 278-2865	4305 S. Pleasant Crossing Blvd Rogers, AR 72758
AR0004	Michael McNamara Sahil Hameerani Taylor Crews Joshua Wade Crews (Note 1)	michael.mcnamara@hotworx.net sahil.hameerani@hotworx.net taylor.crews@hotworx.net wade.crews@hotworx.net	(479) 367-2760	1702 S Walton Blvd Bentonville, AR 72712
AR0005	Joe Dowd	joe.dowd@hotworx.net michael.mcnamara@hotworx.net	(501) 920-4705	12911 Cantrell Rd. Little Rock, AR 72212

	Michael McNamara (Note 1)			
AR0008	Dawn Bartholomew (Note 1)	dawn.bartholomew@hotworx.net	(479) 242-8575	4300 Rogers Ave Fort Smith, AR 72903
AR0009	Theresa Johnson Tim Johnson (Note 1)	theresa.johnson@hotworx.net tim.johnson@hotworx.net	(870) 972-8646	1107 W. Parker Rd Jonesboro, AR 72404
AR0010	Theresa Johnson Tim Johnson (Note 1)	theresa.johnson@hotworx.net tim.johnson@hotworx.net	(870) 919-0249	3800 East Johnson Avenue Jonesboro, AR 72401
AR0011	Theresa Johnson Tim Johnson (Note 1)	theresa.johnson@hotworx.net tim.johnson@hotworx.net	(501) 273-4345	2501 Dave Ward Dr Conway, AR 72034
AR0014	Kelly Stevenson Dan Stevenson	kelly.stevenson@hotworx.net dan.stevenson@hotworx.net	(479) 318-2584	7322 Sunset Ave Springdale, AR 72762
ARIZONA				
AZ0001	Rebecca Lynn Dillon Kylee Bre O'Connell (Note 1)	becky.dillon@hotworx.net kylee.oconnell@hotworx.net	(602) 560-9679	10115 E. Bell Rd. Scottsdale, AZ 85260
AZ0010	Juan Soto Stephanie Soto Phil Harker Nicole Harker Melissa Snow David Snow (Note 1)	juan.soto@hotworx.net stephanie.soto@hotworx.net phil.harker@hotworx.net nicole.harker@hotworx.net melissa.snow@hotworx.net david.snow@hotworx.net	(623) 289-8885	1729 N Dysart Rd Avondale, AZ 85392
AZ0012	Kristi Barnett (Note 1)	kristi.barnett@hotworx.net	(520) 638-7704	7575 W. Twin Peaks Rd. Tucson, AZ 85743
AZ0013	Kristi Barnett (Note 1)	kristi.barnett@hotworx.net	(520) 476-7264	5340 E Broadway Blvd Tucson, AZ 85711
AZ0014	Jason Pack Daynia Pack	jason.pack@hotworx.net daynia.pack@hotworx.net	(602) 609-4328	1135 E. Apache Blvd Tempe, AZ 85281
AZ0017	Rodney Brown Angela Christopher Robbins (Note 1)	rodney.brown@hotworx.net angela.robbins@hotworx.net	(480) 597-5206	29850 N Tatum Blvd Cave Creek, AZ 85331
AZ0018	Rodney Brown Angela Christopher	rodney.brown@hotworx.net angela.robbins@hotworx.net	(480) 207-1187	2040 S. Alma School Rd. Chandler, AZ 85286

	Robbins (Note 1)			
AZ0021	Dean Janke Kelly Janke (Note 1)	dean.janke@hotworx.net kelly.janke@hotworx.net	(480) 306-6728	8660 E Shea Blvd Scottsdale, AZ 85260
AZ0026	Amber Buehrle	amber.buehrle@hotworx.net	(602) 501-0301	4747 E Bell Rd Phoenix, AZ 85032
AZ0028	Katherine Proffitt Darin Toone (Note 1)	katproffitt@hotworx.net darin.toone@hotworx.net	(602) 612-2448	1221 E Northern Ave., Phoenix, AZ 85020
AZ0035	Lacey Cathura Caputo Alex Caputo (Note 1)	lacey.caputo@hotworx.net alex.caputo@hotworx.net	(602) 898-4468	7131 S. Val Vista Dr., Unit 1 Suite 101-102 Gilbert, AZ 85298
CALIFORNIA				
CA0001	Brian Alan Lancioni Bridget Lancioni	brian.lancioni@hotworx.net bridget.lancioni@hotworx.net	(949) 269-2001	30652 Santa Margartia Pkw Rancho Santa Margarita, CA 92688
CA0002	Dan Keefe (Note 1)	dan.keefe@hotworx.net	(909) 657-2323	3560 Grand Ave Chino Hills, CA 91709
CA0007	David Heindel Mary Jo Heindel (Note 1)	david.heindel@hotworx.net maryjo.heindel@hotworx.net	(408) 320-1030	54 W Santa Clara St. San Jose, CA 95113
CA0010	Dolf Renaud April Joy Lowe (Note 1)	dolf.renaud@hotworx.net april.lowe@hotworx.net	(424) 257-8053	20020-A Hawthorne Blvd Torrance, CA 90503
CA0024	Scott Schwantes Jill Schwantes (Note 1)	scott.schwantes@hotworx.net jill.schwantes@hotworx.net	(559) 900-9679	1127 N. Willow Ave. Clovis, CA 93611
CA0030	Sunny Edmisten (Note 1)	sunny.edmisten@hotworx.net	(916) 886-2886	1509 Blue Oaks Blvd Roseville, CA 95747
CA0036	Christian Nunag Joanne Nunag	christian.nunag@hotworx.net joanne.nunag@hotworx.net	(714) 671-8984	1024 E Bastanchury Rd. Fullerton, CA 92835
CA0038	Justin Perry Corina Perry (Note 1)	justin.perry@hotworx.net corina.perry@hotworx.net	(909) 245-0555	9920 Alabama street Redlands, CA 92374
CA0039	Justin Perry Corina Perry (Note 1)	justin.perry@hotworx.net corina.perry@hotworx.net	(909) 536-2811	7305 Day Creek Blvd Suite 103 Rancho Cucamonga, CA 91739
CA0043	Michael Pangandian Pamela Asistio (Note 1)	michael.pangandian@hotworx.net pamela.asistio@hotworx.net	(714) 363-7818	8086 E. Santa Ana Canyon Rd. Anaheim, CA 92808

CA0048	Gabriel Latino	gabriel.latino@hotworx.net	(619) 346-4935	70 Town Center Pkwy Suite B Santee, CA 92071
CA0050	Traci Dykstra Andy Dykstra Debbie Hatch	traci.dykstra@hotworx.net andy.dykstra@hotworx.net debbie.hatch@hotworx.net	(559) 623-9564	2226 S Mooney Blvd, Unit A13 Visalia, CA 93277
CA0053	Erica Graziosa	erica.graziosa@hotworx.net	(949) 674-5400	1835 Newport Blvd Suite D-150 Costa Mesa, CA 92627
CA0054	John Heintz Jacqueline Roussos (Note 1)	john.heintz@hotworx.net jacqueline.roussos@hotworx.net	(916) 864-9679	5110 Laguna Blvd Elk Grove, CA 95758
CA0055	John Heintz Jacqueline Roussos (Note 1)	john.heintz@hotworx.net jacqueline.roussos@hotworx.net	(916) 890-4798	1870 Prairie City Rd. Suite 400 Folsom, CA 95630
CA0057	Michael Wilkins Julie Wilkins (Note 1)	michael.wilkins@hotworx.net julie.wilkins@hotworx.net	(209) 876-2312	2251 Claribel Rd Riverbank, CA 95367
CA0060	Debbie Pearson David Joseph Pearson	debbie.pearson@hotworx.net david.pearson@hotworx.net	(805) 245-5511	221 E Hwy 246 Suites 101/103 Buellton, CA 93427
CA0062	Tonya Renee Dycus Joe Ray Dycus (Note 1)	tonya.dycus@hotworx.net joe.dycus@hotworx.net	(951) 225-3305	41493 Margarita Rd. Suite G-103 Temecula, CA 92591
CA0066	Mauricio R. Munoz Jhordice Munoz (Note 1)	Mauricio.munoz@hotworx.net Jhordice.munoz@hotworx.net	(310) 622-1306	28146 S. Western Ave San Pedro, CA 90732
CA0067	Jeremy Mehling Britney Mehling Shane Mehling	jeremy.mehling@hotworx.net britney.mehling@hotworx.net shane.mehling@hotworx.net	(559) 608-3224	7089 N. Marks Avenue Fresno, CA 93711
CA0068	Kevin Mathew Nunes Stephanie Nunes (Note 1)	kevin.nunes@hotworx.net stephanie.nunes@hotworx.net	(925) 350-7447	5865 Lone Tree Way Suite N Antioch, CA 94531
CA0071	Jeffrey Sharp Katie Sharp (Note 1)	jeff.sharp@hotworx.net katie.sharp@hotworx.net	(661) 298-3700	24599 Copper Hill Dr. Santa Clarita, CA 91354
CA0078	Dino John DiGiulio (Note 1)	dino.digiulio@hotworx.net	(707) 474-9012	3037 Alamo Dr. Vacaville, CA 95687
COLORADO				

CO0003	Taryn M. Weiss Mark Weiss Wanda Jean McIntosh Kevin McIntosh (Note 1)	taryn.weiss@hotworx.net mark.weiss@hotworx.net wanda.mcintosh@hotworx.net kevin.mcintosh@hotworx.net	(720) 328-0039	9325 Dorchester St. Highlands Ranch, CO 80129
CO0006	Mark Norrid Natalie Norrid	mark.norrid@hotworx.net natalie.norrid@hotworx.net	(720) 464-5005	2420 17th St. Denver, CO 80202
CO0007	Pamela Kay Ward Lisa Reinke (Note 1)	pam.ward@hotworx.net lisa.reinke@hotworx.net	(720) 216-0129	2741 West 120th Ave Westminster, CO 80234
CO0010	Cynthia Mesa-Toney Jason Mesa-Toney	cynthia@hotworx.net jason.mesatoney@hotworx.net	(970) 462-9252	1201 Wellington Ave Suite 103 Grand Junction, CO 81501
CO0014	Rebecca Petrino Robert Petrino Bobby Petrino (Note 1)	rebecca.petrino@hotworx.net robert.petrino@hotworx.net bobby.petrino@hotworx.net	(720) 575-9679	3000 Pearl Street Boulder, CO 80301
CO0017	David Bergen Ivan Ostrander Brian Whytlaw (Note 1)	david.bergen@hotworx.net ivan.ostrander@hotworx.net brianw@swcctx.com	(719) 413-8530	7636 Dublin Blvd. Colorado Springs, CO 80923
CO0023	Caley Jones Cody Jones	caley.jones@hotworx.net cody.jones@hotworx.net	(303) 835-1247	34 E Allen St Castle Rock, CO 80108
CO0024	Antony Nicholas Amy Nicholas (Note 1)	antony.nicholas@hotworx.net amy.nicholas@hotworx.net	(303) 529-3645	8936 W. Bowles Ave., Unit A Littleton, CO 80123
CO0027	James Sparks Jillian Sparks	james.sparks@hotworx.net jillian.sparks@hotworx.net	(720) 328-6217	12919 Stroh Ranch Way Parker, CO 80134
CO0028	Lindsay Garcia	lindsay.garcia@hotworx.net	(303) 900-3204	16810 Sheridan Pkwy Broomfield, CO 80023
CO0029	Emily Ball Cody Ball	emily.ball@hotworx.net cody.ball@hotworx.net	(970) 451-5332	4629 Centerplace Dr Greeley, CO 80634
CO0032	Courtney Amber Hartenstein	courtney.hartenstein@hotworx.net	(970) 893-8935	1123 Eagle Drive Loveland, CO 80537
CO0033	Tim Connelly Karissa Requa (Note 1)	tim.connelly@hotworx.net karissa.requa@hotworx.net	(720) 844-3888	9619 E. County Line Rd Centennial, CO 80112
CO0036	Emily Galindo (Note 1)	Emily.dejulius@hotworx.net	(720) 446-0206	12308 W 64th Ave. Arvada, CO 80004
CO0037	Emily Galindo (Note 1)	Emily.dejulius@hotworx.net	(720) 445-0201	8785 Sheridan Blvd. Westminster, CO 80003

CO0047	Sundee Fogerty	Sundee.fogerty@hotworx.net	(303) 414-5056	12792 W Alameda Pky Unite C Lakewood, CO 80228
FLORIDA				
FL0001	Anastasia Miterin Andrey Miterin (Note 1)	anastasia.miterin@hotworx.net andrey.miterin@hotworx.net	(561) 342-1566	860-2 S State Rd 7 Royal Palm Beach, FL 33414
FL0004	Tonie Knapp Caruso Dennis Caruso (Note 1)	tonie.knapp@hotworx.net dennis.caruso@hotworx.net	(352) 505-6211	3265 SW 34th St. Gainesville, FL 32608
FL0005	Juan Soto Stephanie Soto Adam Robertson Ruth Robertson Phil Harker Nicole Harker (Note 1)	juan.soto@hotworx.net stephanie.soto@hotworx.net adam.robertson@hotworx.net ruth.robertson@hotworx.net phil.harker@hotworx.net nicole.harker@hotworx.net	(407) 376-6773	11650 University Blvd-2 Orlando, FL 32836
FL0006	Tonie Knapp Caruso Dennis Caruso (Note 1)	tonie.knapp@hotworx.net dennis.caruso@hotworx.net	(850) 807-0100	444 W. College Ave. Tallahassee, FL 32301
FL0007	George Fowler Mario Pino Roger Pino (Note 1)	george.fowler@hotworx.net mario.pino@hotworx.net roger.pino@hotworx.net	(786) 806-6819	9012 S. Dadeland Blvd. Miami, FL 33156
FL0010	Matt Bater Sheila Bater (Note 1)	matt.bater@hotworx.net sheila.bater@hotworx.net	(407) 654-7515	16045 New Independence Parkway Winter Garden, FL 34787
FL0011	Matt Bater Sheila Bater (Note 1)	matt.bater@hotworx.net sheila.bater@hotworx.net	(407) 956-4350	9123 Narooossee Road Orlando, FL 32827
FL0013	Barry Halprin Janine Halprin	barry.halprin@hotworx.net janine.halprin@hotworx.net	(954) 547-7457	130 NE 4th St. Fort Lauderdale, FL 33301
FL0016	Rob Lavielle Ellen LaVielle Stacy Ryan	rob.lavielle@hotworx.net ellen.lavielle@hotworx.net stacy.ryan@hotworx.net	(813) 415-2254	2208 South Dale Marby Hwy Tampa, FL 33629
FL0021	Michael Buoncore	michael.buoncore@hotworx.net	(561) 284-6048	3980 Northlake Blvd Palm Beach Gardens, FL 33403
FL0025	Sharon Williamson Phil Williamson Sr. Phil Williamson	sharon.williamson@hotworx.net phil.williamson.sr.@hotworx.net phil.williamson.jr@hotworx.net jessica.williamson@hotworx.net	(954) 534-7877	17091 Pines Blvd Pembroke Pines, FL 33027

	Jr. Jessica Williamson (Note 1)			
FL0026	Sharon Williamson Phil Williamson Sr. Phil Williamson Jr. Jessica Williamson (Note 1)	sharon.williamson@hotmail.com phil.williamson.sr.@hotmail.com phil.williamson.jr@hotmail.com jessica.williamson@hotmail.com	(954) 533-5516	13654 W State Rd 84 Davie, FL 33325
FL0028	Nadia M. Luttner	nadia.luttner@hotmail.com	(561) 770-7330	1000 N. Congress Ave Boynton Beach, FL 33426
FL0030	Bill Dunn Beth Monaghan	bill.dunn@hotmail.com beth.monaghan@hotmail.com	(904) 518-5962	4413 Town Center Parkway Jacksonville, FL 32246
FL0033	Veronica Thompson Andie Ritchie	veronica.thompson@hotmail.com andie.ritchie@hotmail.com	(727) 500-1468	2719 Gulf to Bay Blvd Clearwater, FL 33759
FL0034	Drew Saphos Kathleen Vaes	drew.saphos@hotmail.com kathleen.vaes@hotmail.com	(813) 427-9328	13705 N. Dale Mabry Hwy Tampa, FL 33618
FL0038	Debra Upright Scott Upright (Note 1)	debra.upright@hotmail.com scott.upright@hotmail.com	(813) 926-9229	16232 SR54 Odessa, FL 33556
FL0048	Alex Simpson Alexandra Simpson	alex.simpson@hotmail.com alexandra.simpson@hotmail.com	(727) 498-3820	4611 4th St N St. Petersburg, FL 33703
FL0052	Kassandra Lower Jessica Lower	kassandra.lower@hotmail.com jessica.lower@hotmail.com	(561) 461-1276	327 Plaza Real Boca Raton, FL 33432
FL0057	Mary Robinson Jeffrey Ruiz Kristoffer Beezley Jeannette Beezley (Note 1)	mary.robinson@hotmail.com jeffrey.ruiz@hotmail.com kristoffer.beezley@hotmail.com jeannette.beezley@hotmail.com	(407) 214-8060	1130 Townpark Ave Lake Mary, FL 32746
FL0062	Vincent Mitchell Ashley Mitchell (Note 1)	vincent.mitchell@hotmail.com ashley.mitchell@hotmail.com	(239) 558-3072	9345 6 mile cypress pkwy #155 Fort Myers Fl. 33966
FL0069	Aaron Thibodeaux Jamie Thibodeaux	aaron.thibodeaux@hotmail.com jamie.thibodeaux@hotmail.com	(904) 436-5040	45 Durbin Pavilion Dr Ste. 104 St. Johns, FL 32259
FL0078	Debra Dotson	Deb.dotson@hotmail.com	(850) 565-5055	840 Gulf Breeze Pky Gulf Breeze, FL 32561

FL0079	Nathan Charles Marks Katryna Anne Marks (Note 1)	nathan.marks@hotworx.net katryna.marks@hotworx.net	(407) 516-0805	15516 W. Colonial Dr. Winder Garden, FL 34787
FL0085	Margaret Elizabeth Kostishion (Note 1)	margaret.kostishion@hotworx.net	(863) 816-6813	5337 S Florida Ave Lakeland, FL 33813
FL0088	Ryan Thomas Carlson Magyn Carlson	ryan.carlson@hotworx.net magyn.carlson@hotworx.net	(850) 285-0105	10015 N Davis Hwy, Unit 200 Pensacola, FL 32514
FL0089	Brett Kelley Kelly Kelley (Note 1)	Brett.kelley@hotworx.net Kelly.kelley@hotworx.net	(941) 867-7304	1266 S Tamiami Trail Osprey, FL 34229
FL0094	Connor Ward Sykes Hailey Hamel Sykes (Note 1)	connor.sykes@hotworx.net hailey.sykes@hotworx.net	(813) 395-2882	28329 Paseo Dr Wesley Chapel, FL 33543
FL0099	Katy Langkamp Trenton Langkamp (Note 1)	katy.langkamp@hotworx.net trenton.langkamp@hotworx.net	(941) 210-4606	5215 University Parkway Unit 104 University Park, FL 34201
FL0101	Sandra Salce	Sandra.salce@hotworx.net	(954) 419-7639	3996 W. Hillsboro Blvd., Deerfield Beach, FL 33442
FL0111	Jessica Rae Zonker Daniel Richard Headlee (Note 1)	Jessica.zonker@hotworx.net Daniel.headlee@hotworx.net	(239) 790-2838	1539 Del Prado Blvd S Cape Coral, FL 33990
FL0116	Katherine Creighton Boutwell John Thomas Boutwell	kathy.boutwell@hotworx.net john.boutwell@hotworx.net	(727) 386-4987	30675 US HWY 19 N. Palm Harbor, FL 34684
FL0118	Ruth Ann Maceyak Sharon Marie Maceyak (Note 1)	ruth.maceyak@hotworx.net sharon.maceyak@hotworx.net	(321) 221-7191	3945 W Eau Gallie Blvd Suite 106 Melbourne, FL 32934
FL0121	Bianca DeForest Lee DeForest	bianca.deforest@hotworx.net lee.deforest@hotworx.net	(850) 344-7477	415 Mary Esther Cut Off, Ft. Walton Beach, FL 32548
FL0125	Katherine M. Whidden Kenneth D. Whidden	kathy.whidden@hotworx.net ken.whidden@hotworx.net	(850) 468-9679	4489-C Commons Drive West, Destin, FL 32541

FL0131	Karl Antonio Richards Tamara Richards (Note 1)	karl.richards@hotworx.net tamara.richards@hotworx.net	(813) 699-5346	10312 Bloomingdale Ave. Suite 101 Riverview, FL 33578
FL0134	Rita McClellan Lay James Silas Lay Jr. (Note 1)	rita.lay@hotworx.net james.lay@hotworx.net	(850) 361-4140	1449 W Nine Mile Rd. Ste 2, Pensacola, FL 32534
FL0140	Fritz Richardson Sherley Georges (Note 1)	fritz.richardson@hotworx.net sherley.georges@hotworx.net	(954) 367-3041	7780 Griffin Road Davie, FL 33328
GEORGIA				
GA0002	Katharine Francis (Note 1)	katharine.francis@hotworx.net	(770) 322-4289	3245 Peachtree Parkway Suwanee, GA 30024
GA0003	Katharine Francis (Note 1)	katharine.francis@hotworx.net	(706) 309-0249	496 Baxter St. Athens, GA 30605
GA0005	Juan Soto Stephanie Soto Phil Harker Nicole Harker (Note 1)	juan.soto@hotworx.net phil.harker@hotworx.net	(678) 691-4971	3005 Old Alabama Rd Johns Creek, GA 30022
GA0008	David Guerra	david.guerra@hotworx.net	(404) 530-9459	2090 North Decatur Rd. Decatur, GA 30033
GA0011	Ann Marie Cerise Melissa Grubbs (Note 1)	annmarie.cerise@hotworx.net melissa.grubbs@hotworx.net	(470) 359-6799	6115 Peachtree Dunwoody Sandy Springs, GA 30328
GA0015	Juan Soto Stephanie Soto Phil Harker Nicole Harker (Note 1)	juan.soto@hotworx.net phil.harker@hotworx.net	(678) 293-5468	4624 Camp Highland Rd Smyrna, GA 30082
GA0016	Juan Soto Stephanie Soto Phil Harker Nicole Harker (Note 1)	juan.soto@hotworx.net phil.harker@hotworx.net	(470) 567-9679	869 N. Main St. Alpharetta, GA 30009
GA0018	Chan Spraley Sean Spraley	chan.spraley@hotworx.net sean.spraley@hotworx.net	(678) 850-2876	232 Commerce Dr Peachtree City, GA 30269
GA0021	Juan Soto Stephanie Soto Phil Harker	juan.soto@hotworx.net phil.harker@hotworx.net	(404) 618-4468	1430 Dresden Dr. NE Brookhaven, GA 30319

	Nicole Harker (Note 1)			
GA0022	Martha Head Marcus Head	martha.head@hotworx.net marcus.head@hotworx.net	(678) 855-6683	4477 Towne Lake Pkwy. Suite 110 Woodstock, GA 30189
GA0024	Allan Congrave Stephanie Jeffries	allan.congrave@hotworx.net stephanie.jeffries@hotworx.net	(470) 600-9679	5456 Bethelview Rd Cummings, GA 30040
GA0025	Natasha Allen (Note 1)	natasha.allen@hotworx.net	(678) 528-3034	780 Memorial Dr. SE Atlanta, GA 30316
GA0026	Erin Clay (Note 1)	erin.clay@hotworx.net	(770) 864-9870	3162 Johnson Ferry Rd. Marietta, GA 30062
GA0034	Morgan Shattuck Jared Shattuck	morgan.shattuck@hotworx.net jared.shattuck@hotworx.net	(512) 786-8558	600 Chastain Rd. Kennesaw, GA 30144
GA0035	Sabrina Sims McAfee Anthony Ray McAfee II Gabrielle McAfee	sabrina.mcafee@hotworx.net anthony.mcafee@hotworx.net gabrielle.mcafee@hotworx.net	(770) 518-4470	1620 Oak Farm Rd. Alpharetta, GA 30005
GA0036	Andria Hertel Bradley Hertel (Note 1)	andria.hertel@hotworx.net bradley.hertel@hotworx.net	(470) 523-8200	3335 Cobb Parkway NW Acworth, GA 30101
GA0037	Andria Hertel Bradley Hertel (Note 1)	andria.hertel@hotworx.net bradley.hertel@hotworx.net	(678) 792-0006	650 Henderson Dr. Suite 402 Cartersville, GA 30120
GA0038	Nikki Fisher	nikki.fisher@hotworx.net	(404) 508-5711	3550 HWY 138 SE Stockbridge, GA 30281
GA0040	Bradford Franklin Delyrria Franklin	bradford.franklin@hotworx.net delyrria.franklin@hotworx.net	(770) 452-0187	2858 Chapel Hill Rd Douglasville, GA 30135
GA0044	Paulina Thomas	Paulina.thomas@hotworx.net	(706) 553-4595	6367 Whitesville Rd. Suite 300 Columbus, GA 31904
GA0052	Gabriella Boudreaux Cassandra Freeman	gabriella.boudreaux@hotworx.net cassandra.freeman@hotworx.net	(678) 365-3393	11 Buford Village Way Suite #149/151 Buford, GA 30518
GA0053	Skye Best Charles Best	skye.best@hotworx.net charles.best@hotworx.net	(678) 664-3425	1111 Bullsboro Drive Newnan, GA 30265
GA0056	Ashley Inglese Tony Inglese	ashley.inglese@hotworx.net tony.inglese@hotworx.net	(678) 383-6579	800 Whitlock Ave NW Marietta, GA 30064

GA0059	Kimberly Hunter William Hunter	kimberly.hunter@hotworx.net william.hunter@hotworx.net	(229) 202-5500	12060 Etris Rd Roswell, GA 30075
GA0060	Paul Langan Martha Langan Kristin Langan Melanie Langan (Note 1)	paul.langan@hotworx.net martha.langan@hotworx.net kristin.langan@hotworx.net melanie.langan@hotworx.net	(912) 450-9679	1 Godley Station Blvd. Pooler, GA 31322
GA0064	Brittany Miller (Note 1)	Brittany.miller@hotworx.net	(912) 800-5125	7360 Skidaway Rd. Unit #J-3 Savannah, GA 31406
IOWA				
IA0001	Tara Huovinen	tara.huovinen@hotworx.net	(319) 519-6333	1701 2nd St. Coralville, IA 52241
IA0002	Camille Groves John Groves (Note 1)	camille.groves@hotworx.net john.groves@hotworx.net	(563) 949-1986	3541 Middle Rd. Bettendorf, IA 52722
IA0003	Melicia Patik	melicia.patik@hotworx.net	(319) 693-5955	5500 Fountains Dr NE, Suite 107 Cedar Rapids, IA 52411
IA0004	Tanner McWilliams Katie McDonald Ashley Larson Eric Larson (Note 1)	tanner.mcwilliams@hotworx.net katie.mcdonald@hotworx.net ashley.larson@hotworx.net eric.larson@hotworx.net	(515) 381-0406	13435 University Avenue, Suite 600 Clive, IA 50325
IA0006	Patrick Jay Chedester Stacy Chedester Maxwell Chedester (Note 1)	pat.chedester@hotworx.net stacy.chedester@hotworx.net max.chedester@hotworx.net	(515) 446-8447	115 N Ankeny Blvd Ankeny, IA 50023
IA0010	Tanner McWilliams Katie McDonald Ashley Larson Eric Larson (Note 1)	tanner.mcwilliams@hotworx.net katie.mcdonald@hotworx.net ashley.larson@hotworx.net eric.larson@hotworx.net	(712) 336-8577	5826 Sunnybrook Drive Sioux City, IA 51106
IA0012	Marlowe Valdeabella Malena Valdeabella	marlowe.valdeabella@hotworx.net malena.valdeabella@hotworx.net	(563) 277-6004	2055 Holliday Dr. Suite 510 Dubuque, IA 52002
IA0013	Sara Bytnar Sharon Todd Adam W. Todd	sara.bytnar@hotworx.net sharon.todd@hotworx.net adam.todd@hotworx.net thera.cosner@hotworx.net daniel.cosner@hotworx.net	(563) 940-5025	4320 Brady St Suite 100, Davenport, IA 52806

	Thera Sue Cosner Daniel Cosner			
IA0015	Danielle Storm Sveinn Storm (Note 1)	danielle.storm@hotworx.net sveinn.storm@hotworx.net	(319) 268-1910	6207 University Ave Cedar Falls, IA 50613
IA0021	Tanner McWilliams Katie McDonald Ashley Larson Eric Larson (Note 1)	tanner.mcwilliams@hotworx.net katie.mcdonald@hotworx.net ashley.larson@hotworx.net eric.larson@hotworx.net	(515) 985-0598	1101 E 1st Street Suite 106, Grimes, IA 50111
IDAHO				
ID0003	Dan Keefe (Note 1)	dan.keefe@hotworx.net	(208) 435-7000	2847 N Eagle Rd Meridian, ID 83642
ID0004	Kirsten Keen Jeffrey Keen (Note 1)	kirsten.keen@hotworx.net jeffrey.keen@hotworx.net	(208) 825-2125	3587 S Federal Way suite # 100 Boise, ID 83705
ID0009	Joshua Gehrke Judson Severns Chadwick Gilmore Kathy Eroschenko (Note 1)	joshua.gehrke@hotworx.net jud.severns@hotworx.net chadwick.gilmore@hotworx.net kathy.eroschenko@hotworx.net	(208) 900-9989	1060 S Ancona Ave Eagle, ID 83616
ID0013	Joshua Gehrke Judson Severns Chadwick Gilmore Kathy Eroschenko (Note 1)	joshua.gehrke@hotworx.net jud.severns@hotworx.net chadwick.gilmore@hotworx.net kathy.eroschenko@hotworx.net	(208) 900-4690	3015 W McMillan Road Ste 107 Meridian, ID 83646
ILLINOIS				
IL0001	Steve Smith Nancy Price Jim Murphy Aaron Murphy	steve@hotworx.net nancy@hotworx.net jim.murphy@hotworx.net aaron.murphy@hotworx.net	(773) 327-1468	1229 West Fullerton Avenue Chicago, IL 60614
IL0002	Diane Jeremias Emily Garrity (Note 1)	diane.jeremias@hotworx.net emily.garrity@hotworx.net	(630) 909-9679	71 Town Square Wheaton, IL 60189
IL0006	Dave Ablin Dan Benson	dave.ablin@hotworx.net dan.benson@hotworx.net	(630) 634-2999	146 Gary Ave. Bloomington, IL 60108
IL0007	Clarissa Diaz Christopher Damolaris	clarissa.diaz@hotworx.net christopher.damolaris@hotworx.net	(630) 590-9400	924 W. 75th Street Naperville, IL 60565

IL0008	Gwynda Jones	gwynda.jones@hotworx.net	(872) 266-0080	676 N. LaSalle Dr. Suite 2 Chicago, IL 60654
IL0014	Ankit D. Modi (Note 1)	ankit.modi@hotworx.net	(847) 231-2525	6641 Grand Ave. Suite B, Gurnee, IL 60031
IL0018	Matthew Kiely Maria Kiely (Note 1)	matt.kiely@hotworx.net maria.kiely@hotworx.net	(815) 335-9569	13400 S. Route 59 Suite 120, Plainfield, IL 60585
IL0022	Edward Reardon Colleen Reardon Kiley Reardon (Note 1)	edward.reardon@hotworx.net colleen.reardon@hotworx.net kiley.reardon@hotworx.net	(312) 847-2323	100 N. Addison Ave Suite 1, Elmhurst, IL 60126
IL0025	Tabitha Robin Ellsworth (Note 1)	robin.ellsworth@hotworx.net	(618) 200-9422	2619 N. Illinois St. Suite 2619 Swansea, IL 62226
IL0028	Camille Groves John Groves	camille.groves@hotworx.net john.groves@hotworx.net	(309) 623-6488	4103 44th Ave. Moline, IL 61265
IL0033	Andrea Crawford Jason Crawford (Note 1)	andrea.crawford@hotworx.net jason.crawford@hotworx.net	(815) 991-1566	2690 Dekalb Avenue Sycamore, IL 60178
INDIANA				
IN0001	John Lienhart Wendy Lienhart (Note 1)	john.lienhart@hotworx.net wendy.lienhart@hotworx.net	(317) 288-2677	8235 E 116th St Fishers, IN 46038
IN0002	John Lienhart Wendy Lienhart (Note 1)	john.lienhart@hotworx.net wendy.lienhart@hotworx.net	(317) 974-9390	337 Massachusetts Ave. Indianapolis, IN 46204
IN0004	Clifford Evans Lauri Evans (Note 1)	clifford.evans@hotworx.net lauri.evans@hotworx.net	(317) 564-8031	12525 Old Meridian Rd. Carmel, IN 46032
IN0005	Clifford Evans Lauri Evans (Note 1)	clifford.evans@hotworx.net lauri.evans@hotworx.net	(317) 288-7419	5025 E 82nd St
IN0009	Courtney Henchon Brian Henchon Megan Wilson (Note 1)	courtney.henchon@hotworx.net brian.henchon@hotworx.net megan.wilson@hotworx.net	(765) 340-1468	2410 N. Salisbury Street
IN0012	Anthony Spencer	anthony.spencer@hotworx.net	(260) 799-1793	3800 W. Jefferson Blvd. Fort Wayne, IN 46804
IN0013	Jaymi Ratzlaff Jeremy Weeks (Note 1)	jaymi.ratzlaff@hotworx.net jeremy.weeks@hotworx.net	(260) 702-9790	2896 E. Dupont Rd Fort Wayne, IN 46825

IN0016	Mike Rogerson Kelli Rogerson	mike.rogerson@hotworx.net kelli.rogerson@hotworx.net	(812) 913-9097	3562 E 10th Street Jeffersonville, IN 47130
IN0017	Thomas C. O'Grady Shelley Brzozowski (Note 1)	thomas.ogradey@hotworx.net shelley.brzozowski@hotworx.net	(219) 227-8273	723 Main Street Scherverville, IN 46375
IN0018	Dana L. Maloney Daniel Maloney (Note 1)	dana.maloney@hotworx.net daniel.maloney@hotworx.net	(812) 909-8878	6436 E Florida St. Suite 103 Evansville, IN 47715
KANSAS				
KS0002	Crystal Wiley (Note 1)	crystal.wiley@hotworx.net	(316) 201-6540	2564 N Greenwich Rd Wichita, KS 67226
KS0005	Cynthia Kristine Wilson Mark Allen Wilson (Note 1)	kristi.wilson@hotworx.net mark.wilson@hotworx.net	(913) 220-2393	22407 W 66th St Shawnee, KS 66226
KS0006	Matt Jones Shelley Jones (Note 1)	shelley.jones@hotworx.net shelley.jones@hotworx.net	(913) 308-0000	7308 W 80th Street Overland Park, KS 66204
KS0007	Matt Jones Shelley Jones (Note 1)	shelley.jones@hotworx.net shelley.jones@hotworx.net	(913) 585-0000	4876 W 135th Street Leawood, KS 66224
KS0009	Cari Readle Robert Readle	cari.readle@hotworx.net robert.readle@hotworx.net	(785) 621-4278	1218 E 27th St Hays, KS 67601
KS0010	Cynthia Kristine Wilson Mark Allen Wilson (Note 1)	kristi.wilson@hotworx.net mark.wilson@hotworx.net	(913) 738-9679	11144 S. Lone Elm Road Olathe, KS 66061
KENTUCKY				
KY0002	Matt Turner Carey Turner (Note 1)	matt.turner@hotworx.net carey.turner@hotworx.net	(270) 993-9679	2928 Heartland Crossing Owensboro, KY 42303
KY0004	Matt Turner Carey Turner (Note 1)	matt.turner@hotworx.net carey.turner@hotworx.net	(859) 967-4900	2985 Liberty Rd. Lexington, KY 40509
KY0006	Sarah Prorok	sarah.prorok@hotworx.net	(502) 690-3975	12545 Shelbyville Rd Louisville, KY 40291
KY0010	Lori Dellinger	lori.dellinger@hotworx.net	(502) 931-5323	10000 Brownsboro Rd. Louisville, KY 40241

KY0013	Kevin Grunduski Julie Grunduski (Note 1)	kevin.grunduski@hotworx.net julie.grunduski@hotworx.net	(502) 630-2020	291 N Hubbards Ln Louisville, KY 40207
KY0014	Kevin Grunduski Julie Grunduski (Note 1)	Kevin.grunduski@hotworx.net Julie.grunduski@hotworx.net	(502) 630-2021	7714 Bardstown Rd. Suite 102 Louisville, KY 40291
KY0017	Christy Dodds (Note 1)	Christy.dodds@hotworx.net	(502) 546-7399	2500 Bardstown Rd. Suite 5 Louisville, KY 40205
LOUISIANA				
LA0001	Joann Cascio Joey Cascio	joann.cascio@hotworx.net joey.cascio@hotworx.net	(225) 364-2626	7673 Perkins Rd Baton Rouge, LA 70810
LA0002	Tonie Knapp Caruso Dennis Caruso (Note 1)	tonie.knapp@hotworx.net dennis.caruso@hotworx.net	(225) 769-4833	4410 Highland Rd Baton Rouge, LA 70808
LA0004	Corey Gomez Tobi Gomez (Note 1)	corey.gomez@hotworx.net tobi.gomez@hotworx.net	(225) 389-6400	19970 Highland Rd Baton Rouge, LA 70809
LA0005	Corey Gomez Tobi Gomez (Note 1)	corey.gomez@hotworx.net tobi.gomez@hotworx.net	(225) 644-8404	503 West Hwy 30 Suite D Gonzales, LA 70737
LA0006	Steve Smith Nancy Price	steve.smith@hotworx.net nancy.price@hotworx.net jessica.matherne@planetbeach.com	(504) 341-4624	5161 Taravella Rd. Marrero, LA 70072
LA0008	Luis De Leon Karen Amador	luis.deleon@hotworx.net karen.amador@hotworx.net	(985) 778-2411	2735 Hwy 190 Mandeville, LA 70471
LA0012	Bebe De Leon Jacob Jacomine (Note 1)	bebe.deleon@hotworx.net jacob.jacomine@hotworx.net	(504) 302-9679	3814 Veterans Memorial Blvd. Metairie, LA 70002
LA0013	April Carter (Note 1)	april.carter@hotworx.net	(337) 888-9679	4301 Nelson Rd. Lake Charles, LA
LA0014	Andrew Beaujeaux Debbi Beaujeaux (Note 1)	andrew.beaujeaux@hotworx.net debbi.beaujeaux@hotworx.net	(985) 662-5232	223 W. Thomas St. Hammond, LA 70401
LA0015	Andrew Beaujeaux Debbi Beaujeaux (Note 1)	andrew.beaujeaux@hotworx.net debbi.beaujeaux@hotworx.net	(985) 259-4206	2137 Gause Blvd E. Slidelle, LA 70461
LA0019	Tonie Knapp Caruso Dennis Caruso Fletcher Jernigan Lance Hebert	tonie.knapp@hotworx.net dennis.caruso@hotworx.net fletcher.jernigan@hotworx.net lance.hebert@hotworx.net	(504) 576-1100	6268 Vicksburg Street New Orleans, LA 70124

LA0020	Victoria Price Jerome Price	victoria.price@hotworx.net jerome.price@hotworx.net	(504) 267-4965	2112 Belle Chasse Highway Gretna, LA 70056
LA0021	Allison Laborde	Allison.laborde@hotworx.net	(985) 415-0286	808 N Hwy 190 Suite F Covington, LA 70433
LA0023	Dennis Richard Alexis Richard (Note 1)	dennis.richard@hotworx.net alexis.richard@hotworx.net	(227) 451-4000	1701 Chemin Metairie Pkw. Youngsville, LA 70592
LA0026	Ann Marie Cerise Melissa Grubbs (Note 1)	annmarie.cerise@hotworx.net melissa.grubbs@hotworx.net	(504) 737-9679	1141 Hickory Ave Harahan, LA 70123
LA0033	Jill Michelle Corbello Shannon Corbello (Note 1)	jill.corbello@hotworx.net shannon.corbello@hotworx.net	(225) 377-4257	1355 Sam Houston Jones Pkwy, Suite 315
LA0035	Aisha Parker	Aisha.parker@hotworx.net	(225) 377-4257	9850 Sullivan Rd Ste B Baton Rouge, LA 70818
LA0036	Jill Michelle Corbello Shannon Corbello (Note 1)	jill.corbello@hotworx.net shannon.corbello@hotworx.net	(337) 313-3510	206 S. Cities Hwy Suite 3 Sulphur, LA 70663
LA0037	Eric Schweda Brandon Schweda	eric.schweda@hotworx.net brandon.schweda@hotworx.net	(985) 308-5256	12807 Hwy 90 E Suite 102 Luling, LA 70070
LA0038	Stephen P. Smith	stephen.smith@planetbeach.com	(504) 267-3950	4933 Magazine Street, Suite 101 New Orleans, LA 70115
LA0039	Sybil Lynette Davis	sybil.davis@hotworx.net	(318) 737-7051	1306 N 18th St. Suite A Monroe, LA 71201
<u>MAINE</u>				
ME0001	Katrina Forrest Robbie Forrest	katrina.forrest@hotworx.net; robbie.forrest@hotworx.net	(207) 814-9832	100 Gorham Road Suite C South Portland, ME 04106
<u>MARYLAND</u>				
MD0001	Bess Murray Andrew Murray (Note 1)	bess.murray@hotworx.net; andrew.murray@hotworx.net	(301) 606-8688	1705 N. Market St. Suite 201 Frederick, MD 21701

MD0002	Jeffrey Ponist Maribel Ponist (Note 1)	jeffrey.ponist@hotworx.net ; maribel.ponist@hotworx.net	(301) 966-3924	4830 Rugby Ave. Bethesda, MD 20814
MASSACHUSETTS				
MA0001	Sara Bell Jonathan Bell	sara.bell@hotworx.net jonathan.bell@hotworx.net	(978) 290-5772	318 Main Street Northborough, MA 01532
MA0003	Stalin Cortorreal Sarina Guerrero	stalin.cortorreal@hotworx.net sarina.guerrero@hotworx.net	(978) 953-2950	301 Newbury St. Unit 4 Danvers, MA 01923
MA0004	Shannon O'Donnell Maria O'Donnell Michael O'Donnell	shannon.odonnell@hotworx.net maria.odonnell@hotworx.net michael.odonnell@hotworx.net	(781) 365-2278	6 Wayside Rd. Building 6 Suite N-102 Burlington, MA 01813
MA0005	Normand Soucy Ann-Marie Soucy	normand.soucy@hotworx.net annmarie.soucy@hotworx.net	(774) 202-3572	75-B Faunce Corner Mall Rd Dartmouth, MA 02747
MA0006	Diane Soem Saroem Soem	diane.soem@hotworx.net saroem.soem@hotworx.net	(978) 312-3125	161 Westford Rd Tyngsborough, MA 01879
MICHIGAN				
MI0001	Paul Dudgeon Torrice Dudgeon Rio Dudgeon (Note 1)	paul.dudgeon@hotworx.net torrice.dudgeon@hotworx.net rio.dudgeon@hotworx.net	(586) 803-3867	47222 Hayes Rd. Shelby Township, MI 48315
MI0002	Paul Dudgeon Torrice Dudgeon Rio Dudgeon (Note 1)	paul.dudgeon@hotworx.net torrice.dudgeon@hotworx.net rio.dudgeon@hotworx.net	(248) 256-6016	985 South Lapeer Rd. Oxford, MI 48371
MI0010	Kosta Popoff (Note 1)	kosta.popoff@hotworx.net	(248) 297-5463	6493 Sashabaw Rd Village of Clarkston, MI 48346
MI0011	Amber Burnett	amber.burnett@hotworx.net	(269) 998-2728	6412 S. Westnedge Ave. Portage, MI 49002
MI0015	Anthony Lasky	Anthony.lasky@hotworx.net	(734) 519-5047	3785 Washtenaw Ave Ann Arbor, MI 48104
MI0016	Anthony Lasky	Anthony.lasky@hotworx.net	(248) 600-9930	6041 Haggerty Rd West Bloomfield Township, MI 48322
MI0017	Tanya Robin (Note 1)	tanya.robin@hotworx.net	(248) 289-1262	2881 Crooks Rd Rochester Hills, MI 48309

MI0020	Ramona Mangan James Raptoplous (Note 1)	ramona.mangan@hotworx.net james.raptoplous@hotworx.net	(248) 219-5990	147 E. 14 Mile Rd Clawson, MI 48017
MI0021	Ramona Mangan James Raptoplous (Note 1)	ramona.mangan@hotworx.net james.raptoplous@hotworx.net	(734) 800-5886	15083 North Sheldon Rd. Plymouth, MI 48170
MI0023	Kosta Popoff (Note 1)	kosta.popoff@hotworx.net	(810) 208-0087	235 N. Leroy, Suite D Fenton, MI 48430
MI0026	John Whitley Karilynn Whitley (Note 1)	john.whitley@hotworx.net; karilynn.whitley@hotworx.net	(734) 887-1701	355 South Zeeb Rd. Suite C Ann Arbor, MI 48103
MINNESOTA				
MN0001	Adam Born	adam.born@hotworx.net	(952) 333-0355	17693 Kenwood Trail Lakeville, MN 55044
MN0004	Jennifer Klein John Klein Lexi Klein (Note 1)	jennifer.klein@hotworx.net john.klein@hotworx.net lexi.klein@hotworx.net	(651) 347-1177	9020 Hudson Road Woodbury, MN 55125
MN0006	Ben Zaker Amir Trymouri (Note 1)	ben.zaker@hotworx.net; amir.teymouri@hotworx.net	(651) 603-4475	9865 Maple Grove Pkw Maple Grove, MN 55369
MN0009	Jeffrey Shaefer Jennifer Dicksons (Note 1)	jeffrey.shaefer@hotworx.net; jennifer.dickens@hotworx.net	(763) 298-3395	5721 La Centre Ave. Suite 304 Albertville, MN 55301
MN0012	Elizabeth Smith (Note 1)	elizabeth.smith@hotworx.net	(763) 294-2080	13785 Rogers Drive
MN0018	Melissa Stratton	melissa.stratton@hotworx.net	(612) 276-5711	1621 West End Blvd St. Louis Park, MN 55416
MN0019	Stacy Bengtson Dustin Daniel Bengtson (Note 1)	stacy.bengtson@hotworx.net dustin.bengtson@hotworx.net	(612) 601-8811	401 1st Ave NE Minneapolis, MN 55413
MN0022	Bryan Bodrog Kelsie Bodrog Joseph Scanlon Jullian Prosser	bryan.bodrog@hotworx.net; kelsie.bodrog@hotworx.net; joseph.scanlon@hotworx.net; jillian.prosser@hotworx.net	(651) 294-6869	7107 Otter Lake Rd. Lino Lake, MN 55038
MN0024	Crystal Schmeets McCormick Erfle (Note 1)	crystal.schmeets@hotworx.net; mccormick.erfle@hotworx.net	(218) 512-0403	2901 Frontage S. Suite 8A Moorhead, MN 56560
MISSOURI				
MO0001	Matt Hylton Jennifer Hylton (Note 1)	matthew.hylton@hotworx.net jennifer.hylton@hotworx.net	(816) 702-1011	6300 N Chatham Ave Kansas City, MO 64151

MO0002	Matt Hylton Jennifer Hylton (Note 1)	matthew.hylton@hotworx.net jennifer.hylton@hotworx.net	(816) 892-5718	8251 N Oxford Street Kansas City, MO 64158
MO0004	Matt D. Goodwin	Matt.goodwin@hotworx.net	(816) 272-5099	1309 NE Douglas St Lee's Summit, MO 64086
MO0007	Devin Graham Casey Graham	devin.graham@hotworx.net casey.graham@hotworx.net	(314) 899-9679	3763 Forest Park Ave. St. Louis, MO 63108
MO0014	Rod Murchison Britton Bommarito (Note 1)	rod.murchison@hotworx.net britton.bommarito@hotworx.net	(636) 294-1610	2439 State Hwy K. O'Fallon, MO 63368
MO0015	Dawn Bartholomew DeCheyna Bartholomew (Note 1)	dawn.bartholomew@hotworx.net decheyna.bartholomew@hotworx.net	(417) 771-5626	2900 S Fremont Ave Springfield, MO 65804
MO0018	Nafees Rehmatullah Ketan Patel (Note 1)	nafees.rehmatullah@hotworx.net ketan.patel@hotworx.net	(636) 220-4686	7 Clarkson Rd. Ellisville, LO 63011
MO0019	Nafees Rehmatullah Ketan Patel (Note 1)	nafees.rehmatullah@hotworx.net ketan.patel@hotworx.net	(314) 219-1429	9603 Manchester Rd. Rock Hill, MO 63119
MO0020	Nafees Rehmatullah Ketan Patel (Note 1)	Nafees.rehmatullah@hotworx.net ketan.patel@hotworx.net	(314) 786-3054	12301 Olive Blvd. Creve Coeur, MO 63141
MO0021	Melissa Orrell Jason Sims	melissa.orrell@hotworx.net jason.sims@hotworx.net	(573) 777-9679	2703 E. Broadway, Suite 127 Columbia, MO 65201
MO0025	Nafees Rehmatullah Ketan Patel (Note 1)	Nafees.rehmatullah@hotworx.net ketan.patel@hotworx.net	(636) 204-5686	54 Fenton Plaza Fenton, MO 63026
MO0027	Rod Murchison Britton Bommarito (Note 1)	rod.murchison@hotworx.net britton.bommarito@hotworx.net	(636) 841-3777	1201 Wentzville Parkway Wentzville, MO 63385
MO0030	Tiffany Heavner Josh Heavner (Note 1)	tiffany.heavner@hotworx.net joshua.heavner@hotworx.net	(816) 815-8500	721 NW State Route 7 Blue Springs, MO 64014
MO0036	Tracy Matthes Christine Matthes	tracy.matthes@hotworx.net ; christine.matthes@hotworx.net	(816) 296-6777	4797 Sienna Dr. Suite F St. Joe, MO 64506
MO0037	Jeremy Wolfe	jeremy.wolfe@hotworx.net	(636) 534-9679	7112 Mexico Rd. St. Peters, MO 63376

MO0038	Anthony Barber Mindy Barber (Note 1)	anthony.barber@hotworx.net ; mindy.barber@hotworx.net	(816) 227-6070	430 NW Legacy Dr. Kansas City, MO 64155
MISSISSIPPI				
MS0001	John Antwine	john.antwine@hotworx.net	(662) 638-3580	916 East Jackson Ave Oxford, MS 38655
MS0002	Rob Thornton Lily McDaniel Blake McDaniel (Note 1)	rob.thornton@hotworx.net lily.mcdaniel@hotworx.net blake.mcdaniel@hotworx.net	(601) 499-0884	219 Garden Parks Drive Madison, MS 39110
MS0003	Rob Thornton Lily McDaniel Blake McDaniel (Note 1)	rob.thornton@hotworx.net lily.mcdaniel@hotworx.net blake.mcdaniel@hotworx.net	(662) 498-1552	310 University Dr. Starkville, MS 39759
MS0007	Steve Frederick	steve.frederick@hotworx.net	(601) 708-9679	736 MACKENZIE LANE Flowood, MS 39232
MS0010	Lance Hebert Fletcher Jernigan	lance.hebert@hotworx.net fletcher.jernigan@hotworx.net	(228) 265-7455	2033 E Pass Rd Gulfport, MS 39507
MSA0012	Tonie Knapp Dennis Caruso (Note 1)	tonie.knapp@hotworx.net ; dennis.caruso@hotworx.net	(228) 215-1544	2017-A Bienville Blvd. Suite B Ocean Springs, MS 39564
MS0014	Christopher Rousseau Rhonda Rousseau James Baker Cydna Baker	christopher.rousseau@hotworx.net et rhonda.rousseau@hotworx.net james.baker@hotworx.net cydna.baker@hotworx.net	(662) 432-5504	311 Gloster St Tupelo, MS 38801
MS0015	Ivan Ostrander Brian Whytlaw Aron Teneyck (Note 1)	ivan.ostrander@hotworx.net ; brian.whytlaw@hotworx.net ; aron.teneyck@hotworx.net	(601) 642-1118	118 Service Dr. Suite 2 Brandon, MS 39042
MS0016	Ivan Ostrander Brian Whytlaw Aron Teneyck (Note 1)	ivan.ostrander@hotworx.net ; brian.whytlaw@hotworx.net ; aron.teneyck@hotworx.net	(601) 621-7575	6169 US-98 Suite 11 Hattiesburg, MS 39402
MS0018	Shannon Fowler Jodi Woody (Note 1)	shannon.fowler@hotworx.net jodi.woody@hotworx.net	(662) 892-8319	8100 Camp Creek Blvd Olive Branch, MS 38654
MS0019	Michael Dote Sheryl Dote	michael.dote@hotworx.net sheryl.dote@hotworx.net	(662) 294-5002	2867 May Blvd, Ste. 103, Southaven, MS 38672

MS0020	Bebe De Leon Jacob Jacomine (Note 1)	bebe.deleon@hotworx.net jacob.jacomine@hotworx.net	(601) 889-9679	421 Memorial Blvd Picayune, MS 39466
MONTANA				
MT0001	Jennifer Klein John Klein (Note 1)	jennifer.klein@hotworx.net john.klein@hotworx.net	(406) 451-7026	1707 W Oak St Bozeman, MT 59715
NORTH CAROLINA				
NC0001	John Carlton (Note 1)	john.carlton@hotworx.net	(984) 269-7707	701 Tucker St Raleigh, NC 27603
NC0005	Tracy Bria (Note 1)	tracy.bria@hotworx.net	(704) 542-4555	15033 Ballancroft Pkw Charlotte, NC 28277
NC0007	Tracy Bria (Note 1)	tracy.bria@hotworx.net	(704) 626-8038	8016 Providence Rd Suite 800 Charlotte, NC 28277
NC0008	Linda Harte	linda.harte@hotworx.net	(910) 725-2490	10725 US Hwy 15 501 Southern Pines, NC 28387
NC0009	Craig Cadogan Danny Richani (Note 1)	craig.cadogan@hotworx.net danny.richani@hotworx.net	(910) 605-2716	2775 Freedom Parkway Dr. Fayetteville, NC 28314
NC0010	Craig Cadogan Danny Richani (Note 1)	craig.cadogan@hotworx.net danny.richani@hotworx.net	(910) 832-9679	6756 Gordon Rd Wilmington, NC 28411
NC0015	Craig Cadogan Danny Richani (Note 1)	craig.cadogan@hotworx.net danny.richani@hotworx.net	(910) 742-8008	3501 Oleander Dr Wilmington, NC 28403
NC0016	Travis Whiteside Tymeka Whiteside Thomas Whiteside Inez Whiteside	travis.whiteside@hotworx.net tymeka.whiteside@hotworx.net thomas.whiteside@hotworx.net inez.whiteside@hotworx.net	(828) 505-2889	190 Hendersonville Rd Asheville, NC 28803
NC0017	David Starling Trina Starling Mark Vernon Patty Vernon (Note 1)	david.starling@hotworx.net trina.starling@hotworx.net mark.vernon@hotworx.net patty.vernon@hotworx.net	(910) 899-7121	5526 College Road Wilmington, NC 28412
NC0019	Holley Skelly Timothy Skelly	holley.skelly@hotworx.net tim.skelly@hotworx.net	(704) 220-1024	6467 Old Monroe Rd Suite B-C Indian Trail, NC 28079
NC0022	Sean B. Conneen Dustin S. Runkle (Note 1)	sean.conneen@hotworx.net dustin.runkle@hotworx.net	(704) 837-4839	2250 Hawkins Street, Suite E Charlotte, NC 28203

NC0023	Tracy Bria (Note 1)	tracy.bria@hotworx.net	(704) 493-7444	4701 Ashley Park Lane
NC0026	William Shook Ashleigh Shook (Note 1)	williams.shook@hotworx.net ; ashleigh.shook@hotworx.net	(919) 371-0510	76 Hunter Street Apex, NC 27502
NC0029	Bonnie Goethals	bonnie.goethals@hotworx.net	(704) 360-9618	647 Brawley School Rd. Lake Norman, NC 28117
NC0030	Amy Grudzien Robert Grudzien	amy.grudzien@hotworx.net ; robert.grudzien@hotworx.net	(910) 967-9328	112 Charlie Medlin Dr. Surf City, NC 28445
NC0031	Vito Basso Christine Basso (Note 1)	vito.basso@hotworx.net ; christine.basso@hotworx.net	(910) 760-3680	2805 Richlands Hwy. Unit 300 Jacksonville, NC 28540
NC0032	Taylor Hicks Frederick Nixon (Note 1)	taylor.hicks@hotworx.net ; frederick.nixon@hotworx.net	(704) 756-5575	5823 Prosperity Crossing Dr. Suite A1 Charlotte, NC 28269
NORTH DAKOTA				
ND0001	Tori Rohr Sierra Rohr Nicole Privratsky (Note 1)	tori.rohr@hotworx.net sierra.rohr@hotworx.net nicole.privratsky@hotworx.net	(701) 751-4899	3001 Yorktown Dr. Suite 5 Bismarck, ND 58503
ND0003	Tori Rohr Sierra Rohr Nicole Privratsky (Note 1)	tori.rohr@hotworx.net sierra.rohr@hotworx.net nicole.privratsky@hotworx.net	(701) 433-3227	835 23rd Ave E West Fargo, ND 58078
NEBRASKA				
NE0001	Tanner McWilliams Katie McDonald Ashley Larson Eric Larson (Note 1)	tanner.mcwilliams@hotworx.net katie.mcdonald@hotworx.net ashley.larson@hotworx.net eric.larson@hotworx.net	(513) 999-2588	1003 S 192nd St. Omaha, NE 68022
NE0002	Lyndell White Katie Whitefoot Jacob Whitefoot (Note 1)	lyndell.white@hotworx.net katie.whitefoot@hotworx.net jacob.whitefoot@hotworx.net	(402) 480-7310	8600 South 30th Street Suite 108 Lincoln, NE 68516
NE0003	Lyndell White Katie Whitefoot Jacob Whitefoot (Note 1)	lyndell.white@hotworx.net katie.whitefoot@hotworx.net jacob.whitefoot@hotworx.net	(531) 500-3775	4500 S. 70th Street, Suite 100 Lincoln, NE 68516
NE0004	Lyndell White Katie Whitefoot Jacob Whitefoot (Note 1)	lyndell.white@hotworx.net katie.whitefoot@hotworx.net jacob.whitefoot@hotworx.net	(531) 254-5335	643 Fallbrook Blvd Lincoln, NE 68521

NE0005	April Campbell (Note 1)	april.campbell@hotworx.net	(402) 315-3368	3610 North 165th Street Omaha, NE 68116
NE0006	Luther McCoy Leanne Harrell (Note 1)	luther.mccoy@hotworx.net leanne.harrell@hotworx.net	(531) 800-1131	7900 W. Dodge Rd Omaha, NE 68114
NE0007	Luther McCoy Leanne Harrell (Note 1)	luther.mccoy@hotworx.net leanne.harrell@hotworx.net	(531) 444-6007	7775 Olson Dr Papillion, NE 68046
NE0009	Tanner McWilliams Katie McDonald Ashley Larson Eric Larson (Note 1)	tanner.mcwilliams@hotworx.net katie.mcdonald@hotworx.net ashley.larson@hotworx.net eric.larson@hotworx.net	(402) 999-8899	10215 S 168th Ave Omaha, NE 68136
NE0010	Tanner McWilliams Katie McDonald Ashley Larson Eric Larson (Note 1)	tanner.mcwilliams@hotworx.net netkatie.mcdonald@hotworx.net - ashley.larson@hotworx.net eric.larson@hotworx.net	(402) 242-6658	14529 W. Center Road Omaha, NE 68144
NE0012	Stephanie Kottich Sharon Kruszka (Note 1)	stephanie.kottich@hotworx.net sharon.kruszka@hotworx.net	(402) 315-1994	2012 Cornhusker Road Bellevue, NE 68123
NE0013	Stephanie Kottich Sharon Kruszka (Note 1)	stephanie.kottich@hotworx.net sharon.kruszka@hotworx.net	(402) 502-9550	10717 Virginia Plaza, Suite107 La Vista, NE 68128
NE0015	Gerald Cardenas Molly Cardenas (Note 1)	gerald.cardenas@hotworx.net molly.cardenas@hotworx.net	(402) 476-4681	600 W P St Lincoln, NE 68508
NE0018	Katie Jane Becker Alan James Becker	katie.becker@hotworx.net alan.becker@hotworx.net	(402) 418-7260	1236 Main Ave. Crete, NE 68333
NE0019	April Campbell (Note 1)	april.campbell@hotworx.net	(402) 720-3154	3220 Elk Ln Fremont, NE 68025
NEW HAMPSHIRE				
NH0001	Katrina Forrest Robbie George	katrina.forrest@hotworx.net robbie.george@hotworx.net	(603) 272-6104	5 Kilton Rd Bedford, NH 03110
NH0004	Daniel LaBerge Robin LaBerge	daniel.leberge@hotworx.net robin.leberge@hotworx.net	(603) 775-4328	1045A Hanover St. Manchester, NH 03104
NH0005	Franchesca Bussiere (Note 1)	franchesca.bussiere@hotworx.net	603-404-6999	42C Nashua Road Londonderry, NH 03053
NH0007	Jennifer Twardosky	jennifer.twardosky@hotworx.net neteric.twardosky@hotworx.net	(603) 521-8850	4 Coliseum Ave. Nashua, NH 03061

	Eric Twardosky (Note 1)			
NH0012	John Vargas	john.vargas@hotworx.net	(603) 918-4485	5 Provident Way Unit 3 Seabrook, NH 03874
NH0013	Nicholas Fox Emily Lozada (Note 1)	nick.fox@hotworx.net ; emily.lazada@hotworx.net	(603) 722-2195	8 Loudon Rd. Unit 3 Concord, NH 03301
<u>NEW JERSEY</u>				
NJ0010	Donald Pritzlaff Robin Pritzlaff (Note 1)	donald.pritzlaff@hotworx.net ; robin.pritzlaff@hotworx.net	(908) 315-0706	325 North Ave. Garwood, NJ 07027
<u>NEW MEXICO</u>				
NM0002	Michael Wayne Moore CaraBeth Moore (Note 1)	michael.moore@hotworx.net carabeth.moore@hotworx.net	(575) 318-2393	2200 N Grimes St Hobbs, NM 88240
NM0003	Michael Wayne Moore CaraBeth Moore (Note 1)	michael.moore@hotworx.net carabeth.moore@hotworx.net	(505) 522-3425	8510 Montgomery Blvd. NE Suite A4 Albuquerque, NM 87111
NM0005	Lisa Gelinás Claude Gelinás (Note 1)	lisa.gelinás@hotworx.net ; claudes.gelinás@hotworx.net	(505) 933-2552	10301 Cottonwood Park NW Suite A Albuquerque, NM 87114
NM0010	Lisa Gelinás Claude Gelinás (Note 1)	lisa.gelinás@hotworx.net ; claudes.gelinás@hotworx.net	(505) 373-2757	8910 Holly Avenue NE Suite B Albuquerque, NM 87122
<u>NEVADA</u>				
NV0001	Holly Marietta	holly.marietta@hotworx.net	(702) 558-1768	76 W Horizon Ridge Pkwy
NV0003	Tiffany Young Kenneth Young (Note 1)	tiffany.young@hotworx.net kenneth.young@hotworx.net	(725) 999-9170	8810 South Eastern Ave Las Vegas, NV 89123
NV0004	Tiffany Young Kenneth Young (Note 1)	tiffany.young@hotworx.net kenneth.young@hotworx.net	(725) 543-2243	4325 W. Cactus Ave. #100 Las Vegas, NV 89141
NV0005	Tiffany Young Kenneth Young (Note 1)	tiffany.young@hotworx.net kenneth.young@hotworx.net	(725) 226-8776	9700 W Tropicana Ave Las Vegas, NV 89147

NV0010	Taylor Kornieck Kristin Kornieck (Note 1)	taylor.kornieck@hotmail.com kristin.kornieck@hotmail.com	(702) 444-4126	750 S Rampart Street Las Vegas, NV 89145
NV0011	Anthony Podloski	anthony.podloski@hotmail.com	(725) 248-2050	6592 N Decatur #145 Las Vegas, NV 89131
NV0014	Allison Anderson Ryan Anderson (Note 1)	Allison.anderson@hotmail.com ryan.anderson@hotmail.com	(702) 960-0786	6425 S. Durango Dr. Suite 110 Las Vegas, NV 89113
NV0018	DJ Blasko Stacy Blasko Donna Blasko	dj.blasko@hotmail.com stacy.blasko@hotmail.com donna.blasko@hotmail.com	(725) 465-2425	7930 W Tropical Parkway Las Vegas, NV 89149
NV0019	Dallas Kester Tanner Kester (Note 1)	dallas.kester@hotmail.com ; tanner.kester@hotmail.com	(775) 467-3339	6405 S. Virginia St. Suite 4 Reno, NV 89511
NV0025	Cliff Orr Kimberly Wegrich	cliff.orr@hotmail.com ; kimberly.wegrich@hotmail.com	(725) 272-2934	5697 S. Jones Blvd. Unit 240 Las Vegas, NV 89118
NEW YORK				
NY0001	Brian Roth Sarah Roth (Note 1)	brian.roth@hotmail.com ; sarah.roth@hotmail.com	(631) 641-9679	715 Route 25 A Miller Place, NY 11764
NY0004	Craig Perlman	craig.perlman@hotmail.com	(516) 300-1339	635 Hicksville Rd Bethpage, NY 11714
NY0007	Tyson Voelkel Christy Voelkel Alan Mitchell Nick Zervis Kyle Kane (Note 1)	tyson.voelkel@hotmail.com ; christy.voelkel@hotmail.com ; alan.mitchell@hotmail.com ; nick.zervis@hotmail.com ; kyle.kane@hotmail.com	(212) 970-7099	784 Broadway New York, NY 10003
NY0009	Tyson Voelkel Christy Voelkel Alan Mitchell Nick Zervis Kyle Kane (Note 1)	tyson.voelkel@hotmail.com ; christy.voelkel@hotmail.com ; alan.mitchell@hotmail.com ; nick.zervis@hotmail.com ; kyle.kane@hotmail.com	(212) 633-0033	125 W. 21st Street New York, NY 10011
NY0018	Sanela Djencic Vedat Djencic (Note 1)	sanela.djencic@hotmail.com vedat.djencic@hotmail.com	(646) 676-4454	2955 Veterans Rd W Staten Island, NY 10309
NY0024	Anthony Buchanan Jennifer Buchanan Nate Rock Abby Rock (Note 1)	anthony.buchanan@hotmail.com ; jennifer.buchanan@hotmail.com ; nate.rock@hotmail.com ; abby.rock@hotmail.com	(518) 468-9679	860 New Loudon Rd. Latham, NY 12110
OHIO				

OH0002	Jeremy Barnes Daniel Daykin	jeremy.barnes@hotworx.net daniel.daykin@hotworx.net	(440) 358-3889	1813 Nagel Rd suite 1200 Avon, OH 44011
OH0005	Kim Kroener Kendall Gass (Note 1)	kim.kroener@hotworx.net kendall.gass@hotworx.net	(513) 900-9610	11928 Montgomery Rd Cincinnati, OH 45249
OH0007	Anne White Mike White (Note 1)	anne.white@hotworx.net mike.white@hotworx.net	(419) 214-1763	5280 Monroe St. Toledo, OH 43623
OH0009	Anne White Mike White (Note 1)	anne.white@hotworx.net mike.white@hotworx.net	(614) 468-9679	210 W 5th Ave Columbus, OH 43201
OH0010	Anne White Mike White (Note 1)	anne.white@hotworx.net mike.white@hotworx.net	(614) 468-9679	9981 Sawmill Parkway Powell, OH 43065
OH0011	Anne White Mike White (Note 1)	anne.white@hotworx.net mike.white@hotworx.net	(614) 376-0189	331 W. Bridge St. Dublin, OH 43017
OH0013	Jeremy Barnes Leslie Barnes (Note 1)	jeremy.barnes@hotworx.net leslie.barnes@hotworx.net	(440) 332-7157	14401 Pearl Rd Strongsville, OH 44136
OH0014	Jeremy Barnes Leslie Barnes (Note 1)	jeremy.barnes@hotworx.net leslie.barnes@hotworx.net	(440) 290-6472	21858 Center Ridge Rd. Rocky River, OH 44116
OH0016	Anne White Mike White (Note 1)	anne.white@hotworx.net mike.white@hotworx.net	(614) 245-8653	5536 N. Hamilton Rd. New Albany, OH 43230
OH0023	Howard Charles Bruss Wendy Bruss (Note 1)	howard.bruss@hotworx.net wendy.bruss@hotworx.net	(614) 505-0040	2121 Polaris Pkwy (614) 505-0040
OH0030	Adrienne Handel	adrienne.handel@hotworx.net	(330) 729-5069	1301 Boardman- Poland Road Suite H Youngstown, OH 44514
OKLAHOMA				
OK0001	Jennifer Barnes Ryan Barnes (Note 1)	jennifer.barnes@hotworx.net ryan.barnes@hotworx.net	(580) 297-5148	2510 W. Chestnut Enid, OK 73703
OK0002	Jennifer Barnes Ryan Barnes (Note 1)	jennifer.barnes@hotworx.net ryan.barnes@hotworx.net	(405) 743-4405	1950 N. Perkins Rd. Stillwater, OK 74075

OK0004	Nicole Brunner Ashley Huck	nicole.brunner@hotworx.net ashley.huck@hotworx.net	(405) 546-0210	3000 W Memorial Rd. Oklahoma City, OK 73120
OK0005	Bret Kolman Susan Kolman (Note 1)	bret.kolman@hotworx.net susan.kolman@hotworx.net	(918) 500-0998	9999 S Mingo Rd Tulsa, OK 74133
OK0008	Bret Kolman Susan Kolman (Note 1)	bret.kolman@hotworx.net susan.kolman@hotworx.net	(918) 932-8819	4117 S HARVARD AVE Tulsa, OK 74135
OK0009	Jennifer Barnes Ryan Barnes (Note 1)	jennifer.barnes@hotworx.net ryan.barnes@hotworx.net	(405) 310-2262	2216 24th Ave. NW Norman, OK 73069
OK0013	Janie Sullivan John Sullivan (Note 1)	janie.sullivan@hotworx.net john.sullivan@hotworx.net	(580) 302-6399	100 E Main St Weatherford, OK 73096
OK0014	Jennifer Pruitt Jonathon Pruitt (Note 1)	jennifer.pruitt@hotworx.net jonathon.pruitt@hotworx.net	(918) 900-2232	1716 N. Ninth St. Broken Arrow, OK 74012
OK0016	Ashlee Buchert Bradly Buchert Tina Hamilton Kenneth Hamilton (Note 1)	ashlee.buchert@hotworx.net ; bradly.buchert@hotworx.net ; tina.hamilton@hotworx.net ; kenneth.hamilton@hotworx.net	(918) 417-6001	9908 Riverside Drive Tulsa, OK 74137
OK0019	Bret Kolman Susan Kolman Alec Kolman (Note 1)	bret.kolman@hotworx.net susan.kolman@hotworx.net alec.kolman@hotworx.net	(918) 998-8997	9002 N 121st E Ave Owasso, OK
OK0020	Josiah Daniel Wiens Deanna Wiens Lynn Allan Wiens Ann H. Wiens	josiah.wiens@hotworx.net deanna.wiens@hotworx.net lynn.wiens@hotworx.net ann.wiens@hotworx.net	(918) 550-5549	302 S Frankfort Ave Tulsa, OK 74120
OK0024	Michael Ayers Allie Lindsey (Note 1)	michael.ayers@hotworx.net ; allie.lindsey@hotworx.net	(405) 285-1989	1389 East 15th Street Suite 100 Edmond, OK 73013
OK0027	Stacey Schlaud Kenneth Schlaud Dawn Cruz (Note 1)	stacey.schlaud@hotworx.net ; kenneth.schlaud@hotworx.net ; dawn.cruz@hotworx.net	(405) 808-3440	2720 S. Telephone Rd. Moore, OK 73160
OK0030	Christina Terneus Isaiah Terneus (Note 1)	christina.terneus@hotworx.net ; isaiah.terneus@hotworx.net	(405) 695-8708	4795 N. Harrison St. Shawnee, OK 74066
OREGON				
OR0001	Brian Velandar Robyn Velandar	brian.velander@hotworx.net robyn.velander@hotworx.net	(503) 747-7570	9140 SW Hall Blvd Portland, OR 97223

OR0004	Bryan Kelly Jessica Kelly Joseph O'Neill Leighann O'Neill	bryan.kelly@hotworx.net jessica.kelly@hotworx.net joseph.oneill@hotworx.net leighann.oneill@hotworx.net	(541) 389-1176	1462 NE Cushing Dr Bend, OR 97707
OR0005	Shannon Miller (Note 1)	shannon.miller@hotworx.net	(541) 512-5773	2127 S. Highway 97 Suite 140 Redmond, OR 97756
PENNSYLVANIA				
PA0002	Tim Alloway (Note 1)	tim.alloway@hotworx.net	(215) 941-8357	1713 Grant Ave Philadelphia, PA 19115
PA0006	Thomas Luft Jennifer Luft	thomas.luft@hotworx.net jennifer.luft@hotworx.net	(484) 421-2876	511 E Baltimore Pike Media, PA 19063
PA0010	Jaishree Mistry Paras Patel	jaishree.mistry@hotworx.net; paras.petal@hotworx.net	(267) 991-2987	4275 County Line Rd. Suite 15 Chalfont, PA 18914
PA0011	Joseph Orr Desiree Orr (Note 1)	joseph.orr@hotworx.net; desiree.orr@hotworx.net	(610) 871-3393	369A W. Lancaster Ave. Wayne, PA 19087
PA0012	Denis Byrd Christine Byrd (Note 1)	denis.byrd@hotworx.net; christine.byrd@hotworx.net	(412) 494-9642	1950 Park Manor Blvd. Pittsburgh, PA 15205
PA0024	Josalyn Aponte	josalyn.aponte@hotworx.net	(215) 278-9494	73 Old Dublin Pike Unit 4 Doylestown, PA 18901
SOUTH CAROLINA				
SC0004	Monte Porter Gail Porter	monte.porter@hotworx.net gail.porter@hotworx.net	(844) 446-8979	2030 Oakheart Road Myrtle Beach, SC 29579
SC0005	Rachel Maxwell Richard Maxwell	rachel.maxwell@hotworx.net richard.maxwell@hotworx.net	(803) 399-8329	918 D. N. Lake Drive Lexington, SC 29072
SC0006	Paul Langan Martha Langan Kristin Langan Melanie Langan (Note 1)	paul.langan@hotworx.net martha.langan@hotworx.net kristin.langan@hotworx.net melanie.langan@hotworx.net	(843) 757-9679	7 Venture Drive Bluffton, SC 29910
SC0009	Christine Pribanic Sean Pribanic (Note 1)	christine.pribanic@hotworx.net sean.pribanic@hotworx.net	(843) 834-2885	2121 N Main St Summerville, SC 29483
SC0014	Trey Antwine Kitty Antwine (Note 1)	trey.antwine@hotworx.net; kitty.antwine@hotworx.net	(864) 624-3922	894 Tiger Blvd. Suite 900 Clemson, SC 29631
SC0023	Pamela Bilichuk Alejandro Bilichuk	pamela.bilichuk@hotworx.net; alejandros.bilichuk@hotworx.net	(864) 326-2430	1010 Laurens Rd. Suite C Greenville, SC 29607

SC0024	Sean Conneen Rebecca Conneen (Note 1)	sean.conneen@hotworx.net ; rebecca.conneen@hotworx.net	(803) 630-5040	5525 Arden Mill Dr. Suite 105 Fort Mill, SC 29715
SC0026	Dustin Johns Tara Johns	dustin.johns@hotworx.net ; tara.johns@hotworx.net	(803) 877-8707	114 State Street West Columbia, SC 29169
SOUTH DAKOTA				
SD0003	Patrick Jay Chedester Stacy Chedester Maxwell Chedester (Note 1)	pat.chedester@hotworx.net stacy.chedester@hotworx.net max.chedester@hotworx.net	(605) 906-8191	2400 S Marion Rd Sioux Falls, SD 57106
SD0006	Patrick Jay Chedester Stacy Chedester Maxwell Chedester (Note 1)	pat.chedester@hotworx.net stacy.chedester@hotworx.net max.chedester@hotworx.net	(605) 610-1029	1510 E. 69th St. Sioux Falls, SD 57108
TENNESSEE				
TN0001	Kyle Merritt Jeffry Bush	kyle.merritt@hotworx.net jeffry.bush@hotworx.net	(615) 589-4888	2306 Medical Center Parkway Murfreesboro, TN 37129
TN0004	Juan Soto Stephanie Soto Phil Harker Nicole Harker (Note 1)	juan.soto@hotworx.net stephanie.soto@hotworx.net phil.harker@hotworx.net nicole.harker@hotworx.net	(901) 614-4114	9155 Poplar Ave Germantown, TN 38138
TN0005	Juan Soto Stephanie Soto Phil Harker Nicole Harker (Note 1)	juan.soto@hotworx.net stephanie.soto@hotworx.net phil.harker@hotworx.net nicole.harker@hotworx.net	(901) 341-4800	431 S Highland St. Memphis, TN 38111
TN0007	Juan Soto Stephanie Soto Phil Harker Nicole Harker (Note 1)	juan.soto@hotworx.net stephanie.soto@hotworx.net phil.harker@hotworx.net nicole.harker@hotworx.net	(901) 930-6125	8950 Highway 64 Suite 113 Lakeland, TN 38002
TN0008	Fay Kelsoe James Kelsoe (Note 1)	fay.kelsoe@hotworx.net james.kelsoe@hotworx.net	(615) 866-9085	1806 Chet Atkins Place Nashville, TN 37203
TN0014	Juan Soto Stephanie Soto Phil Harker Nicole Harker (Note 1)	juan.soto@hotworx.net stephanie.soto@hotworx.net phil.harker@hotworx.net nicole.harker@hotworx.net	(615) 483-5666	3028 S Rutherford Blvd Murfreesboro, TN 37130

TN0017	Derry Cook Laura Cook (Note 1)	derry.cook@hotworx.net laura.cook@hotworx.net	(901) 538-9595	5847 Poplar Ave. Memphis, TN 38119
TN0018	Robert LeBus Jennifer LeBus (Note 1)	robert.lebus@hotworx.net jennifer.lebus@hotworx.net	(865) 951-2057	130 N. Cedar Bluff Road Knoxville, TN 37923
TN0019	Juan Soto Stephanie Soto Phil Harker Nicole Harker (Note 1)	juan.soto@hotworx.net stephanie.soto@hotworx.net phil.harker@hotworx.net nicole.harker@hotworx.net	(901) 350-0770	750 N Germantown Pkwy Cordova, TN 38018
TN0024	Shannon Fowler Jodi Woody (Note 1)	shannon.fowler@hotworx.net jodi.woody@hotworx.net	(901) 512-5200	3051 Kirby Whitten Parkway Bartlett, TN 38134
TN0025	Fay Kelsoe James Kelsoe (Note 1)	fay.kelsoe@hotworx.net james.kelsoe@hotworx.net	(615) 905-6750	2000 Meridian Blvd, Suite 102 Franklin, TN 37067
TN0026	Robert LeBus Jennifer LeBus (Note 1)	robert.lebus@hotworx.net jennifer.lebus@hotworx.net	(865) 297-3668	10839 Hardin Valley Rd. Knoxville, TN 37932
TN0027	Robert LeBus Jennifer LeBus (Note 1)	robert.lebus@hotworx.net jennifer.lebus@hotworx.net	(865) 309-5453	2605 Adair Dr, #101 Knoxville, TN 37918
TN0028	Robert LeBus Jennifer LeBus (Note 1)	robert.lebus@hotworx.net jennifer.lebus@hotworx.net	(865) 315-7723	2467 University Commons Way Knoxville, TN 37919
TN0029	Fay Kelsoe James Kelsoe (Note 1)	fay.kelsoe@hotworx.net james.kelsoe@hotworx.net	(615) 754-1889	300 Pleasant Grove Rd. Mt. Juliet, TN 37122
TN0034	Rhett Fordham Kathryn Fordham	rhett.fordham@hotworx.net kathryn.fordham@hotworx.net	(615) 465-6469	1110 Hillsboro Road Franklin, TN 37064
TN0036	Daniel Szymanek Thomas Szymanek Cole Giovannetti Harold Melville Antwine III Kietten M. Antwine	daniel.szymanek@hotworx.net thomas.szymanek@hotworx.net cole.giovannetti@hotworx.net kitty.antwine@hotworx.net trej.antwine@hotworx.net	(731) 616-6666	1296 Union University Drive Jackson, TN 38305
TN0038	Shayla Willis Lindsey Harris	shayla.willis@hotworx.net lindsey.harris@hotworx.net	(423) 320-4229	2545 Lifestyle Way #8 Chattanooga, TN 37421
TN0039	Fay Kelsoe James Kelsoe (Note 1)	fay.kelsoe@hotworx.net james.kelsoe@hotworx.net	(423) 654-3636	315 Walnut St Chattanooga, TN 37403
TN0041	William Marion Devers Dana Michelle	william.devers@hotworx.net dana.devers@hotworx.net whitney.devers@hotworx.net	(931) 820-8445	2300 Wilma Rudolph Blvd Clarksville, TN 37030

	Devers Whitney Clark Devers			
TN0042	Jason Rogers Carmella Rogers	jason.rogers@hotworx.net carmella.rogers@hotworx.net	(901) 302-6302	750 Madison Avenue Memphis, TN 38103
TN0045	Kenneth Burnett Laronda Burnett (Note 1)	kenneth.burnett@hotworx.net laronda.burnett@hotworx.net	(901) 300-5550	875 W Poplar Ave Collierville, TN 38017
TN0046	Tammy Maureen Perrone	tammy.perrone@hotworx.net	(615) 747-1100	401 Long Hollow Pike Goodlettsville, TN 37072
TN0048	Bronson Spears Casandra Spears (Note 1)	bronson.spears@hotworx.net casandra.spears@hotworx.net	(901) 468-4922	185 Indian Lake Boulevard Hendersonville, TN 37075
TN0054	Summer Lee Casebolt Justin Casebolt	summer.casebolt@hotworx.net justin.casebolt@hotworx.net	(901) 468-4922	11680 Highway 51 S Atoka, TN 38004
TN0055	Russell Cole Amy Cole	Russell.cole@hotworx.net amy.cole@hotworx.net	(615) 499-5012	3881 Lebanon Pike Hermitage, TN 37076
TEXAS				
TX0001	Jarod Guier Lindsay Guier	jarod.guier@hotworx.net lindsay.guier@hotworx.net	(940) 455-2000	4130 Justin Road Flower Mound, TX 75077
TX0002	Jarod Guier Lindsay Guier	jarod.guier@hotworx.net lindsay.guier@hotworx.net	(972) 410-0271	1050 Flower Mound Rd Flower Mound, TX 75028
TX0003	Gretchen C. Wirth (Note 1)	gretchen.wirth@hotworx.net	(469) 473-4111	4760 Preston Rd Frisco, TX 750364
TX0004	Michael Abdouch Darlene Abdouch (Note 1)	michael.abdouch@hotworx.net darlene.abdouch@hotworx.net	(832) 913-8625	1315 Grand Parkway Katy, TX 77494
TX0006	Angelique Gates	angelique.gates@hotworx.net	(817) 576-2999	4718 Colleyville Blvd Colleyville, TX 76034
TX0009	Lainie Martinez (Note 1)	lainie.martinez@hotworx.net	(806) 500-8228	7604 Milwaukee Avenue Lubbock, TX 79424
TX0012	Ashlee Campbell	ashlee.campbell@hotworx.net	(903) 203-2683	8926 S. Broadway Avenue Tyler, TX 75703
TX0016	Stacy Barbara Dan Barbara	stacy.barbara@hotworx.net dan.barbara@hotworx.net	(469) 677-1324	6760 Abrams Rd. Dallas, TX 75231
TX0017	Dr. James Heptig	james.heptig@hotworx.net	(469) 828-7978	15250 N Dallas Parkway Suite 500 Dallas, TX 75248

TX0020	Angie Ryan	angie.ryan@hotworx.net	(682) 593-8200	967 Keller Parkway Keller, TX 76248
TX0022	Joe Bruner (Note 1)	joe.bruner@hotworx.net	(817) 637-1144	3990 N Collins Arlington, TX 76005
TX0023	Joe Bruner (Note 1)	joe.bruner@hotworx.net	(817) 618-2595	3548 S. Hills Ave Fort Worth, TX 76109
TX0025	Brett Grossman Julia Grossman Garrett Ferguson Alan Claiborne (Note 1)	brett.grossman@hotworx.net julia.grossman@hotworx.net garrett.ferguson.hwx@gmail.com alan.claiborne.hwx@gmail.com	(210) 481-0000	19141 Stone Oak Pkwy San Antonio, TX 78258
TX0026	Brett Grossman Julia Grossman Garrett Ferguson Alan Claiborne (Note 1)	brett.grossman@hotworx.net julia.grossman@hotworx.net garrett.ferguson.hwx@gmail.com alan.claiborne.hwx@gmail.com	(830) 468-9679	999 E Basse Rd. San Antonio, TX 78209
TX0027	Brett Grossman Julia Grossman Garrett Ferguson Alan Claiborne (Note 1)	brett.grossman@hotworx.net julia.grossman@hotworx.net garrett.ferguson.hwx@gmail.com alan.claiborne.hwx@gmail.com	(830) 468-9679	17803 La Cantera Terrace San Antonio, TX 78256
TX0031	Darren Harrison Marinda Harrison (Note 1)	darren.harrison@hotworx.net marinda.harrison@hotworx.net	(972) 304-0055	160 West Sandy Lake Rd. Coppell, TX 75019
TX0032	Darren Harrison Marinda Harrison (Note 1)	darren.harrison@hotworx.net marinda.harrison@hotworx.net	(682) 224-5800	2717 Heritage Trace Pkwy Fort Worth, TX 76177
TX0034	Jason Martinez Lainie Martinez (Note 1)	jason.martinez@hotworx.net lainie.martinez@hotworx.net	(806) 500-1712	4406 19th St Lubbock, TX 79407
TX0035	Jason Martinez Lainie Martinez (Note 1)	jason.martinez@hotworx.net lainie.martinez@hotworx.net	(806) 701-2850	12811 Indiana Ave Lubbock, TX 79423
TX0036	Susan Sandoval Juan Sandoval (Note 1)	susan.sandoval@hotworx.net juan.sandoval@hotworx.net	(512) 488-9846	800 West Whitestone Blvd Cedar Park, TX 78613
TX0037	Susan Sandoval Juan Sandoval (Note 1) Paula Argiropoulos Dave Argiropoulos	susan.sandoval@hotworx.net juan.sandoval@hotworx.net paula.argiropoulos@hotworx.net dave.argiropoulos@hotworx.net	(512) 888-3055	920 Kohlers Crossing, Suite 520 Kyle, TX 78640
TX0042	Frank Enriquez Denna Enriquez (Note 1)	frank.enriquez@hotworx.net denna.enriquez@hotworx.net	(817) 953-8688	2600 W 7th St Fort Worth, TX 76107

TX0043	Frank Enriquez Denna Enriquez (Note 1)	frank.enriquez@hotworx.net denna.enriquez@hotworx.net	(817) 948-8095	6100 Camp Bowie Blvd Fort Worth, TX 76116
TX0045	Amanda McHugh	amanda.mchugh@hotworx.net	(972) 895-2149	631 E. Southlake Blvd Southlake, TX 76092
TX0046	Bob Majecki Sherry Majecki (Note 1)	bob.majecki@hotworx.net sherry.majecki@hotworx.net	(972) 895-2083	3166 State Hwy 161 Grand Prairie, TX 75052
TX0047	Maria Villareal	maria.villarreal@hotworx.net	(972) 895-3159	720 East Campbell Rd Richardson, TX 75081
TX0048	Christine Locke Brandt Gaiser	christine.locke@hotworx.net ; brandt.gaiser@hotworx.net	(972) 895-3855	2808 McKinney Ave Dallas, TX 75204
TX0049	Christine Locke Brandt Gaiser	christine.locke@hotworx.net ; brandt.gaiser@hotworx.net	(972) 895-3164	1902 Abrams Road Dallas, TX 75214
TX0051	Shane Winfield Shyloh Winfield	shane.winfield@hotworx.net shyloh.winfield@hotworx.net	(940) 800-1944	1400 S. Loop 288 Denton, TX 76205
TX0054	JJ Kazadi Futa Mampia Futa Napo Ghonda Mano Mbu (Note 1)	jj.futa@hotworx.net mampia.futa@hotworx.net napo.ghonda@hotworx.net mano.mbu@hotworx.net	(281) 574-1175	5215 FM 1463 Rd. Katy, TX 77494
TX0055	Len Wood Rhonda Wood (Note 1)	len.wood@hotworx.net rhonda.wood@hotworx.net	(806) 300-0155	2439 I-40 West Amarillo, TX 79109
TX0057	Len Wood Rhonda Wood (Note 1)	len.wood@hotworx.net rhonda.wood@hotworx.net	(325) 238-7088	2473 N Judge Ely Blvd Abilene, TX 79601
TX0058	Michael Abdouch Darlene Abdouch (Note 1)	michael.abdouch@hotworx.net darlene.abdouch@hotworx.net	(832) 203-5483	506 Yale St Houston, TX 77007
TX0063	Greg Newkirk Deann Newkirk (Note 1)	greg.newkirk@hotworx.net deann.newkirk@hotworx.net	(936) 203-3061	2300 Woodforest Pkwy N. Montgomery, TX 77316
TX0065	Nicki Bomer David Bomer	nicki.bomer@hotworx.net david.bomer@hotworx.net	(940) 264-9679	3910 Call Field Rd. Wichita Falls, TX 76308
TX0066	Vickie Bergen David Bergen	vickie.bergen@hotworx.net david.bergen@hotworx.net	(432) 758-6272	603 W Avenue A Seminole, TX 79360
TX0067	Ann Truong (Note 1)	ann.truong@hotworx.net	(713) 909-3177	29110 US-290 Cypress, TX 77433
TX0068	Ann Truong (Note 1)	ann.truong@hotworx.net	(713) 955-6252	2015 Spring Stuebner Rd Spring, TX 77389

TX0069	Janie Sullivan John Sullivan (Note 1)	janie.sullivan@hotworx.net john.sullivan@hotworx.net	(972) 923-9679	1700 N HWY 77 Waxahachie, TX 75165
TX0070	Teresa Grawe Mark Grawe (Note 1)	teresa.grawe@hotworx.net mark.grawe@hotworx.net	(972) 435-9679	2150 N. Josey Lane Carrollton, TX 75006
TX0071	Teresa Grawe Mark Grawe (Note 1)	teresa.grawe@hotworx.net mark.grawe@hotworx.net	(469) 991-0071	8425 FM423 Frisco, TX 75034
TX0072	Teresa Grawe Mark Grawe (Note 1)	teresa.grawe@hotworx.net mark.grawe@hotworx.net	(469) 991-0072	4622 Windhaven Pkwy, Suite 300 Lewisville, TX 75056
TX0073	Teresa Grawe Mark Grawe (Note 1)	teresa.grawe@hotworx.net mark.grawe@hotworx.net	(469) 991-0073	2155 US Hwy 380 Suite 130 Frisco, TX 75033
TX0078	Dana Kolling Michel Kolling (Note 1)	dana.kolling@hotworx.net michel.kolling@hotworx.net	(817) 343-8425	264 SE John Jones Drive, Suite 108 Burlinson, TX 76028
TX0079	Dana Kolling Michel Kolling (Note 1)	dana.kolling@hotworx.net michel.kolling@hotworx.net	(469) 845-9898	114 E John W Carpenter Fwy, Suite 150 Irving, TX 75062
TX0082	Carley Ostrander Ivan Ostrander (Note 1)	carley.ostrander@hotworx.net ivan.ostrander@hotworx.net	(432) 897-2505	3415 N Loop 250 West Midland, TX 79707
TX0083	Ivan Ostrander Brian Whytlaw (Note 1)	ivan.ostrander@hotworx.net brian.whytlaw@hotworx.net	(432) 897-2686	4060 Faudree Road Odessa, TX 79765
TX0084	Ivan Ostrander Brian Whytlaw Carley Ostrander (Note 1)	ivan.ostrander@hotworx.net brian.whytlaw@hotworx.net carley.ostrander@hotworx.net	(325) 274-0105	4802 Southland Blvd Suite 4838 San Angelo, TX 76904
TX0086	Vijay Nair (Note 1)	vijay.nair@hotworx.net	(512) 667-6369	200 Springtown Way San Marcos, TX 78666
TX0087	Vijay Nair (Note 1)	vijay.nair@hotworx.net	(512) 243-5192	11521 N FM 620 Austin, TX 78726
TX0089	Keith Westmoreland Julie Westmoreland Matt Scott Ashlee Campbell (Note 1)	keith.westmoreland@hotworx.net julie.westmoreland@hotworx.net matt.scott@hotworx.net ashlee.campbell@hotworx.net	(979) 485-5206	1902 Texas Ave South College Station, TX 77840
TX0090	Keith Westmoreland Julie	keith.westmoreland@hotworx.net julie.westmoreland@hotworx.net	(979) 703-1545	1295 Arrington Rd College Station, TX 77845

	Westmoreland (Note 1)			
TX0091	Keith Westmoreland Julie Westmoreland (Note 1)	keith.westmoreland@hotworx.net julie.westmoreland@hotworx.net	(469) 722-2250	476 S. FM 548 Suite 200 Forney, TX 75126
TX0092	Greg Newkirk Deann Newkirk (Note 1)	greg.newkirk@hotworx.net deann.newkirk@hotworx.net	(936) 270-8700	20165 Eva St. Montgomery, TX 77356
TX0093	Brett Grossman Julia Grossman Garrett Ferguson Alan Claiborne Nerea Claiborne Alan Claiborne (Note 1)	brett.grossman@hotworx.net julia.grossman@hotworx.net garrett.ferguson.hwx@gmail.com alan.claiborne.hwx@gmail.com nerea.claiborne.hwx@gmail.com alan.claiborne@hotworx.net nerea.claiborne@hotworx.net	(830) 468-9679	12047 Potranco Rd. San Antonio, TX 78253
TX0094	Brett Grossman Julia Grossman Garrett Ferguson Alan Claiborne Nerea Claiborne Alan Claiborne (Note 1)	brett.grossman@hotworx.net julia.grossman@hotworx.net garrett.ferguson.hwx@gmail.com m alan.claiborne.hwx@gmail.com nerea.claiborne.hwx@gmail.com alan.claiborne@hotworx.net nerea.claiborne@hotworx.net	(830) 468-9679	14615 IH-35 North, Suite 170 Live Oak, TX 78154
TX0095	Brett Grossman Julia Grossman Garrett Ferguson Alan Claiborne Nerea Claiborne Alan Claiborne (Note 1)	brett.grossman@hotworx.net julia.grossman@hotworx.net garrett.ferguson.hwx@gmail.com m alan.claiborne.hwx@gmail.com nerea.claiborne.hwx@gmail.com alan.claiborne@hotworx.net nerea.claiborne@hotworx.net	(210) 254-9250	1011 Broadway Suite 1101 San Antonio, TX 78215
TX0096	Walt Toler Pamela Toler Jill Lawrence (Note 1)	walt.toler@hotworx.net pamela.toler@hotworx.net jill.lawrence@hotworx.net	(409) 519-8101	1475 S. Hwy 69 Nederland, TX 77627
TX0097	Walt Toler Pamela Toler Jill Lawrence (Note 1)	walt.toler@hotworx.net pamela.toler@hotworx.net jill.lawrence@hotworx.net	(409) 730-7001	3195 Dowlen Rd. Suite 104 Beaumont, TX 77706
TX0100	Demetria Cheatham (Note 1)	demetria.cheatham@hotworx.net	(972) 845-1624	6310 Dalrock Rd Rowlett, TX 75088

TX0101	Lauren Meals Tyler Meals (Note 1)	lauren.meals@hotworx.net tyler.meals@hotworx.net	(830) 310-4424	2188 HWY 46 W New Braunfels, TX 78132
TX0104	Jeremy Fikac Jason Scott (Note 1)	jeremy.fikac@hotworx.net jason.scott@hotworx.net	(512) 713-6501	2150 E. Palm Valley Round Rock, TX 78665
TX0105	Jeremy Fikac Jason Scott (Note 1)	jeremy.fikac@hotworx.net jason.scott@hotworx.net	(512) 713-6278	940 W University Ave Georgetown, TX 78626
TX0106	Jeremy Fikac Jason Scott (Note 1)	jeremy.fikac@hotworx.net jason.scott@hotworx.net	(512) 767-9357	635 University Blvd Round Rock, TX 78665
TX0111	Victoria Najera (Note 1)	victoria.najera@hotworx.net	(254) 300-5024	2324 Marketplace Drive Waco, TX 76711
TX0112	Victoria Najera (Note 1)	victoria.najera@hotworx.net	(469) 421-0441	1921 N Preston Rd Prosper, TX 75078
TX0115	Paula Roberson Brad Roberson	paula.roberson@hotworx.net brad.roberson@hotworx.net	(254) 870-4508	13701 Woodway Drive Woodway, TX 76712
TX0116	Stacey Duke (Note 1)	stacey.duke@hotworx.net	(214) 226-8590	110 Smirl Dr. Heath, TX 75032
TX0119	Kristina Ferruzzi Giancarlo Ferruzzi Robert Thomas (Note 1)	kristina.ferruzzi@hotworx.net giancarlo.ferruzzi@hotworx.net robert.thomas@hotworx.net	(210) 898-1803	9234 N 1604 W, Ste 107 San Antonio, TX 78249
TX0120	Kristina Ferruzzi Giancarlo Ferruzzi (Note 1)	kristina.ferruzzi@hotworx.net giancarlo.ferruzzi@hotworx.net	(210) 866-9600	7010 W. Loop 1604 N. San Antonio, TX 78254
TX0124	Emken Linton Trey Melchor (Note 1)	emken.linton@hotworx.net trey.melchor@hotworx.net	(713) 882-0638	4489 West Davis St. Conroe, TX 77304
TX0126	Michael McNamara	michael.mcnamara@hotworx.net	(430) 200-0291	3638 Richmond Rd Texarkana, TX 75503
TX0127	Carmen Hopkins Keith Hopkins (Note 1)	carmen.hopkins@hotworx.net keith.hopkins@hotworx.net	(832) 835-6444	2110 Pearland Pkwy Pearland, TX 77581
TX0128	Carmen Hopkins Keith Hopkins (Note 1)	carmen.hopkins@hotworx.net keith.hopkins@hotworx.net	(281) 845-6685	10237 Bailey Rd. Suite 100 Manvel, TX 77578
TX0129	Marcus Toal Brittany Toal Donna Robinette Mark Robinette (Note 1)	marcus.toal@hotworx.net brittany.toal@hotworx.net donna.robinette@hotworx.net mark.robinette@hotworx.net	(210) 560-2447	12611 I10 West, Suite 101 San Antonio, TX 78230

TX0131	Lisa Shields David Shields	lisa.shields@hotworx.net david.shields@hotworx.net	(210) 990-4681	24815 US Hwy 281 N San Antonio, TX 78258
TX0132	Lisa Mayfield Giancarlo Ferruzzi Kristina Ferruzzi (Note 1)	lisa.mayfield@hotworx.net giancarlo.ferruzzi@hotworx.net kristina.ferruzzi@hotworx.net	(830) 388-7993	27650 IH 10 W, Suite 108 Boerne, TX 78015
TX0136	Jared Kenney Christina Kenney	jared.kenney@hotworx.net christina.kenney@hotworx.net	(281) 738-4268	20026 SW Freeway Sugar Land, TX 77479
TX0137	Stephen "Craig" McDowell Erin McDowell Paul Rackley Kristi Rackley (Note 1)	craig.mcdowell@hotworx.net erin.mcdowell@hotworx.net paul.rackley@hotworx.net kristi.rackley@hotworx.net	(832) 776-0099	25640 Kuykendahl Rd. Tomball, TX 77375
TX0138	Stephen "Craig" McDowell Erin McDowell Paul Rackley Kristi Rackley (Note 1)	craig.mcdowell@hotworx.net erin.mcdowell@hotworx.net paul.rackley@hotworx.net kristi.rackley@hotworx.net	(832) 732-5176	4057 Riley Fuzzel Rd Spring, TX 77386
TX0140	Melanie Bartulla Jeffrey Bartulla	melanie.bartulla@hotworx.net jeffrey.bartulla@hotworx.net	(281) 602-5969	8845 Six Pines Drive The Woodlands, TX 77380
TX0141	Maria Villarreal (Note 1)	maria.villarreal@hotworx.net	(469) 733-7410	3194 W University Dr McKinney, TX 75071
TX0142	Mayra Mares	mayra.mares@hotworx.net	(915) 910-7073	7456 Cimarron Market St El Paso, TX 79911
TX0143	David Holloway Christa Holloway	david.holloway@hotworx.net christa.holloway@hotworx.net	(832) 497-5888	7710 Garth Road, Ste. 500 Baytown, TX 77521
TX0144	Joshua Chiong Leonard Daye (Note 1)	joshua.chiong@hotworx.net leonard.daye@hotworx.net	(915) 955-8182	3581 Zaragoza Rd. Suite 202-203 El Paso, TX 79938
TX0146	Joshua Chiong Leonard Daye (Note 1)	joshua.chiong@hotworx.net leonard.daye@hotworx.net	(915) 308-9293	13001 Emerald Pass Suite B Horizon City, TX 79928
TX0148	David Holloway Christa Holloway	david.holloway@hotworx.net christa.holloway@hotworx.net	(281) 764-8690	18455 West Lake Houston Parkway suite 190 Humble, TX 77346
TX0149	Kyle Pylant Heather Pylant (Note 1)	kyle.pylant@hotworx.net heather.pylant@hotworx.net	(817) 898-4686	2006 Cinema Drive Hudson Oaks, TX 76087

TX0151	Brandie Munks	brandie.munks@hotworx.net	(469) 314-1443	2455 Ridge Rd. Suite 120 Rockwall, TX 75087
TX0154	Melissa Rabuck Joshua Rabuck	melissa.rabuck@hotworx.net joshua.rabuck@hotworx.net	(346) 221-7551	10710 Barker Cypress Rd Cypress, TX 77433
TX0156	Dulce Gamez	dulce.gamez@hotworx.net	(713) 424-3664	4557 East Sam Houston Pkwy South Suite 110 Pasadena, TX 77505
TX0157	Danny Patterson Andrea Saitis (Note 1)	danny.patterson@hotworx.net ; andrea.saitis@hotworx.net	(972) 600-1234	1900 Preston Rd. Suite 337 Plano, TX 75093
TX0160	Jeremy Fikac Jason Scott (Note 1)	jeremy.fikac@hotworx.net jason.scott@hotworx.net	(512) 704-3164	19368 Ronald Reagan Blvd. Suite 120 Leander, TX 78628
TX0167	George Mathai	george.mathai@hotworx.net	(210) 701-8835	917 Roy Richard Dr Schertz, TX 78154
TX0168	Demetria Cheatham (Note 1)	demetria.cheatham@hotworx.net	(469) 942-8383	628 W. White St. Anna, TX 75409
TX0169	Ivan Ostrander Brian Whytlaw (Note 1)	ivan.ostrander@hotworx.net ; brian.whytlaw@hotworx.net	(432) 219-9915	2425 A N. County Road West Odessa, TX 79763
TX0171	Amanda Riggan Casey Riggan (Note 1)	amanda.riggan@hotworx.net casey.riggan@hotworx.net	(830) 463-9221	1417 E. Walnut St., Suite 600 Seguin, TX 78155
TX0172	Amanda Riggan Casey Riggan (Note 1)	amanda.riggan@hotworx.net casey.riggan@hotworx.net	(830) 252-9553	326 Singing Oaks Suite 153 Spring Branch, TX 78070
TX0174	JJ Kazadi Futa Mampia Futa Napo Ghonda Mano Mbu (Note 1)	jj.futa@hotworx.net mampia.futa@hotworx.net napo.ghonda@hotworx.net mano.mbu@hotworx.net	(281) 903-7497	18310 W Airport Blvd, SUite 400 Richmond, TX 77407
TX0176	Diane Lund Robin Lund	diane.lund@hotworx.net robin.lund@hotworx.net	(512) 790-8295	12812 Shops Pkwy Bee Cave, TX 78738
TX0181	April Carter (Note 1)	april.carter@hotworx.net	(713) 842-9679	12343 Kingsride Lane Houston, TX 77024
TX0183	Ryan Barnes Jennifer Barnes (Note 1)	ryan.barnes@hotworx.net ; jennifer.barnes@hotworx.net	(903) 990-8860	103 Whistlestop Way Fairview, TX 75069

TX0185	Pamela Morris Bradley Morris Olivia Adams Timothy Adams	pamela.morris@hotworx.net bradley.morris@hotworx.net olivia.adams@hotworx.net timothy.adams@hotworx.net	(682) 710-0099	414 US 287 Frontage Road Mansfield, TX 76063
TX0187	Steven J Williams Wendy D Williams	steven.williams@hotworx.net wendy.williams@hotworx.net	(832) 580-4885	8675 Spring Cypress Rd Spring, TX 77379
TX0188	Michael Schultz	michael.schultz@hotworx.net	(737) 727-0000	7826 W US 290 W - Building 1 Austin, TX 78736
TX0189	Vincent Njorge	vincent.njorge@hotworx.net	(281) 768-8661	8027 Highway 6 Suite 700 Missouri, TX 77459
TX0190	Stacey Duke (Note 1)	stacey.duke@hotworx.net	(214) 935-1703	3501 N Belt Line Rd, Suite 119 Sunnyvale, TX 75182
TX0191	Katherine Allen Jason Allen Tamar Garza Alex Garza	katherine.allen@hotworx.net ; jason.allen@hotworx.net ; tamar.garza@hotworx.net ; alex.garza@hotworx.net	(979) 314-1011	3375 University Drive East, Suite 413 Bryan, TX 77802
TX0194	Melissa Arnold Alexandra Glover	melissa.arnold@hotworx.net alexandra.glover@hotworx.net	(817) 865-1998	6076 Azle Ave, Suite 200 Lake Worth, TX 76135
TX0195	Greg Newkirk Deann Newkirk (Note 1)	greg.newkirk@hotworx.net deann.newkirk@hotworx.net	(936) 312-2004	10226 FM 1488 Magnolia, TX 77354
TX0196	Greg Newkirk Deann Newkirk (Note 1)	greg.newkirk@hotworx.net deann.newkirk@hotworx.net	(936) 955-5169	12345 Interstate 45 N Willis, TX 77318
TX0198	Dennis Greg Crane Carmen Crane	greg.crane@hotworx.net carmen.crane@hotworx.net	(325) 788-2005	3550 S. Clack St. Abilene, TX 79606
TX0199	Kristina Ferruzzi Giancarlo Ferruzzi Robert Thomas (Note 1)	kristina.ferruzzi@hotworx.net ; giancarlo@hotworx.net ; robert.thomas@hotworx.net	(361) 600-3630	6702 S. Staples St. Bldg B Suite D Corpus Christi, TX 78413
TX0200	Laura Merritt (Note 1)	laura.merritt@hotworx.net	(512) 985-6105	494 TX-71 Bastrop, TX 78602
TX0205	Juan D. Salinas III Rhonda Ramirez Salinas (Note 1)	juan.salinas@hotworx.net rhonda.salinas@hotworx.net	(956) 608-6777	6400 N 10th St, Suite A McAllen, TX 78505
TX0210	Jodi Hoffman Thomas Andrew Hoffman (Note 1)	jodi.hoffman@hotworx.net andy.hoffman@hotworx.net	(936) 439-6264	235 I-45 South Huntsville, TX 77340

TX0211	Jodi Hoffman Thomas Andrew Hoffman (Note 1)	jodi.hoffman@hotworx.net andy.hoffman@hotworx.net	(936) 662-4681	11133 Interstate 45 South, Suite 220 Conroe, TX 77302
TX0216	William Stanley Buczek Christine Buczek	william.buczek@hotworx.net christine.buczek@hotworx.net	(817) 900-2160	900 N Industrial Blvd Euleess, TX 76039
TX0219	Jonah Kent Taylor DeAnn Marie Jones	jonah.taylor@hotworx.net deann.jones@hotworx.net	(469) 215-7779	116 S. Custer Rd. #400 McKinney, TX 75072
TX0220	Michel Shrese Lee Marcus O. Lee Willie Lee	michel.lee@hotworx.net marcus.lee@hotworx.net willie.lee@hotworx.net	(832) 847-4392	3514 Highway 36 Rosenberg, TX 77471
TX0221	Laura J. Blevins Bengy L. Blevins (Note 1)	laura.blevins@hotworx.net ben.blevins@hotworx.net	(469) 663-5065	300 Sharaf Avenue Red Oak, TX 75154
TX0222	Antonio Guerra Azeneeth Rincon (Note 1)	tanc.guerra@hotworx.net tanc.rincon@hotworx.net	(956) 545-0700	3000 Pablo Kisel Blvd., Suite 200C Brownsville, TX 78526
TX0224	Tony Huynh Jenny Lu Huynh	tony.huynh@hotworx.net jenny.huynh@hotworx.net	(817) 754-4655	5801 West Interstate 20, Suite 380 Arlington, TX 76017
TX0226	Karla Ramos Paola Ramos Vita Ramburu Ramos Vita Ramos (Note 1)	karla.ramos@hotworx.net paola.ramos@hotworx.net vitaaramburu.ramos@hotworx.net et vita.ramos@hotworx.net	(830) 481-0472	615 Oxford New Braunfels, TX 78130
TX0227	Lauren Meals Tyler Meals (Note 1)	lauren.meals@hotworx.net tyler.meals@hotworx.net	(210) 314-0557	2907 Loop 1604 E San Antonio, TX 78259
TX0229	Nicholas Anthony Heather Lee (Note 1)	nicholas.anthony@hotworx.net; heather.lee@hotworx.net	(940) 488-4700	1248 FM 407 W, Suite 200 Northlake, TX 76226
TX0230	Elise Jr. Wilner (Note 1)	zoe.elise@hotworx.net	(281) 242-0137	350 Promenade Way Sugar Land, TX 77478
TX0233	Gagan Pandey Sabita Pandey Vishan Pandey Bishal Pandey	gagan.pandey@hotworx.net; sabita.pandey@hotworx.net; vishan.pandey@hotworx.net; bishal.pandey@hotworx.net	(817) 435-2182	9653 Ten Gallon Dr. Fort Worth, TX 76123
TX0234	Carlo Rodriguez Maria Rodriguez	carlo.rodriguez@hotworx.net; maria.rodriguez@hotworx.net	(972) 637-7305	2555 Inwood Rd. Suite 235 Dallas, TX 75235
TX0238	Alisen Sanders Brandon Sanders (Note 1)	alisen.sanders@hotworx.net; brandon.sanders@hotworx.net	(512) 593-7279	208 Wells Branch Parkway Suite 240 Pflugerville, TX 78660

TX0240	Jenny Montgomery Brian Montgomery	jennifer.montgomery@hotworx.net brian.montgomery@hotworx.net	(254) 968-3715	980 N Wolfe Nursery Road Stephenville, TX 76401
TX0241	Tataidrian Toliver Danielle Toliver	tay.toliver@hotworx.net ; danielle.toliver@hotworx.net	(512) 885-8010	567 Chris Kelley Blvd. Suite 102 Hutto, TX 78634
TX0242	Alice Reynolds Zach Reynolds	alice.reynolds@hotworx.net ; zach.reynolds@hotworx.net	(361) 589-5448	4238 S. Alameda St. Unit 17 Corpus Christi, TX 78412
TX0243	Laura Blevins Bengy Blevins	laura.blevins@hotworx.net ; ben.blevins@hotworx.net	(972) 842-9620	1669 South 9th St. Suite 300 Midlothian, TX 76065
TX0244	Tangie Logan Marcus Logan	tangie.logan@hotworx.net ; marcus.logan@hotworx.net	(214) 427-5808	1501 W. Princeton Dr. Suite 105 Princeton, TX 75407
TX0245	Bill Jaafar Johanna Farhat	bill.jaafar@hotworx.net ; johanna.farhat@hotworx.net	(512) 309-1475	17420 Ranch Rd. 620 Suite 120 Round Rock, TX 78681
TX0246	Kimberly S. Fick Anthony D. Fick	kimberly.fick@hotworx.net tony.fick@hotworx.net	(281) 205-8403	12230 West Lake Houston Pky Houston, TX 77044
TX0249	Trina Pecina	Trina.pecina@hotworx.net	(682) 252-4500	457 E. I-20 Suite 141 Arlington, TX 76018
TX0250	Gretchen Wirth	gretchen.wirth@hotworx.net	(940) 600-0427	26621 US Hwy 380 W. Suite 140 Aubrey, TX 76227
TX0251	Lexi Gurdian Virgil Gurdian	lexi.gurdian@hotworx.net ; virgil.gurdian@hotworx.net	(832) 777-5266	4130 FM 1488 Suite 116 Conroe, TX 77384
TX0252	Lisa Liang Jeffrey Liang	lisa.liang@hotworx.net ; jeffry.liang@hotworx.net	(832) 219-0999	1416 W. Orem Dr. Suite D Houston, TX 77047
TX0254	Carrie Teague Corey Teague	carrie.teague@hotworx.net ; corey.teague@hotworx.net	(832) 569-2099	501 South Friendswood Sr. Suite 115 Friendswood, TX 77546
TX0255	Tonya Muckleroy	tonya.muckleroy@hotworx.net	(409) 217-5082	3815 W. Grand Parkway N. Suite 120 Katy, TX 77449
TX0259	Megan Komar Cole Komar (Note 1)	megan.komar@hotworz.net ; cole.komar@hotworx.net	(713) 234-0067	1473 Wirt Rd. Houston, TX 77055
TX0261	Mitzi Alexander David Alexander (Note 1)	mitzi.alexander@hotworx.net ; david.alexander@hotworx.net	(469) 895-9828	374 E FM. 1382 Suite A Cedar Hill, TX 75104

TX0264	LaVona Dick Todd Dick Dave Burlington (Note 1)	lavona.dick@hotworx.net; todd.dick@hotworx.net; dave.burlington@hotworx.net	(281) 466-4328	2855 W. Lake Houston Pkwy Suite 105-A Kingwood, TX 77338
TX0265	LaVona Dick Todd Dick Dave Burlington (Note 1)	lavona.dick@hotworx.net; todd.dick@hotworx.net; dave.burlington@hotworx.net	(832) 529-1663	1140 Eldridge Parkway Studio 150 Houston, TX 77077
TX0267	Ila Yates Brad Frederick	lla.yates@hotworx.net; brad.frederick@hotworx.net	(281) 747-9869	9522 Huffmeister Rd. Suite 200 Houston, TX 77095
TX0268	Tommy Duke Danene Duke Stacey Duke	tommy.duke@hotworx.net; danene.duke@hotworx.net; stacey.duke@hotworx.net	(214) 971-8688	5000 E. I-30 Suite 160 Fate, TX 75189
TX0270	Richard Nguyen Son Trinh	richard.nguyen@hotworx.net; son.trinh@hotworx.net	(469) 868-2900	7965 Custer Rd. Suite 114 Plane, TX 75025
TX0271	JJ Futa Mampia Futa Ghonda Napo Mano Mbu	jj.futa@hotworx.net; ghonda.napo@hotworx.net	(832) 464-8524	19355 Katy Fwy. Suite 200 Houston, TX 77094
TX0278	Trimone Washington Dedrick Washington	trimone.washington@hotworx.net; dedrick.washington@hotworx.net	(214) 550-7811	901 W. FM 544 Suite 600 Wylie, TX 75098
TX0280	Jamie Cox Doug Cox	jamie.cox@hotworx.net; doug.cox@hotworx.net	(832) 821-7829	3401 East Blvd. Suite 500 Deer Park, TX 77536
TX0283	Eddie Jackson Mehwish Iqbal (Note 1)	eddie.jackson@hotworx.net; mehwish.iqbal@hotworx.net	(346) 218-0461	14502 Spring Cypress Rd. Suite 100 Cypress, TX 77429
TX0288	Christine Locke Brandt Gaiser	christine.locke@hotworx.net; brandt.gaiser@hotworx.net	(469) 210-9968	631 W. FM544 Suite 300 Murphy, TX 75094
UTAH				
UT0001	Taryn Taylor (Note 1)	taryn.taylor@hotworx.net	(385) 420-9679	675 East 2100 South Salt Lake City, UT
UT0002	Juan Soto Stephanie Soto Phil Harker Nicole Harker (Note 1)	juan.soto@hotworx.net stephanie.soto@hotworx.net phil.harker@hotworx.net nicole.harker@hotworx.net	(801) 609-6456	191 East 12300 South Draper, UT 84020
UT0004	Juan Soto Stephanie Soto Phil Harker Nicole Harker (Note 1)	juan.soto@hotworx.net stephanie.soto@hotworx.net phil.harker@hotworx.net nicole.harker@hotworx.net	(801) 794-1155	10420 South Rubicon Road B103 South Jordan, UT 84009

UT0005	Juan Soto Stephanie Soto Phil Harker Nicole Harker (Note 1)	juan.soto@hotworx.net stephanie.soto@hotworx.net phil.harker@hotworx.net nicole.harker@hotworx.net	(801) 701-7470	296 North State St. Lindon, UT 84042
UT0008	Jared Klepko Troy Lesh Ryan Bailey (Note 1)	jared.klepko@hotworx.net troy.lesh@hotworx.net ryan.bailey@hotworx.net	(801) 613-9650	4574 W Partridgehill Lane Riverton, UT 84096
UT0009	Jared Klepko Troy Lesh Ryan Bailey (Note 1)	jared.klepko@hotworx.net troy.lesh@hotworx.net ryan.bailey@hotworx.net	(385) 387-1427	10945 Alpine Hwy Highland, UT 84003
UT0010	Jared Klepko Troy Lesh Ryan Bailey (Note 1)	jared.klepko@hotworx.net troy.lesh@hotworx.net ryan.bailey@hotworx.net	(385) 342-2539	1012 N Redwood Rd Saratoga Springs, UT 84046
UT0011	Taryn Taylor Tom Taylor (Note 1)	taryn.taylor@hotworx.net tom.taylor@hotworx.net	(385) 270-9679	1060 West Park Lane Farmington, UT 84025
UT0014	Jamie Elgie Brigette Elgie	jamie.elgie@hotworx.net brigette.elgie@hotworx.net	(801) 337-2194	7678 S Union Park Ave Midvale, UT 84047
UT0015	Steven Blackwell Kimberly Blackwell (Note 1)	steven.blackwell@hotworx.net kimberly.blackwell@hotworx.net	(801) 610-6218	443 East 1000 North Spanish Fork, UT 84660
UT0018	Stephanie Aerakis Nick Aerakis Shelby Johnson (Note 1)	stephanie.aerakis@hotworx.net nick.aerakis@hotworx.net shelby.johnson@hotworx.net	(801) 996-3124	8860 S Redwood Rd, Suite 101 West Jordan, UT 84088
UT0019	Stephanie Aerakis Nick Aerakis Shelby Johnson (Note 1)	stephanie.aerakis@hotworx.net nick.aerakis@hotworx.net shelby.johnson@hotworx.net	(801) 676-9918	3941 Wasatch Blvd Salt Lake City, UT 84124
UT0022	Emily Barney David Barney	emily.barney@hotworx.net david.barney@hotworx.net	(801) 850-9336	250 E University Pkwy Orem, UT 84058
UT0026	Calista Jo Martinez Kerri Sumpter (Note 1)	calista.martinez@hotworx.net kerri.sumpter@hotworx.net	(385) 787-8090	1000 North Main Street Tooele, UT 84074
VIRGINIA				
VA0004	Daryn Allday Michelle Allday (Note 1)	daryn.allday@hotworx.net michelle.allday@hotworx.net	(703) 214-2124	43330 Junction Plaza Ashburn, VA 20147

VA0005	Daryn Allday Michelle Allday (Note 1)	daryn.allday@hotworx.net michelle.allday@hotworx.net	(571) 520-2220	42015 Village Center Plaza Aldie, VA 20105
VA0010	David Savage Michele Savage (Note 1)	david.savage@hotworx.net; michele.savage@hotworx.net	(703) 672-7202	2310 Woodland Crossing Drive Suite G Herndon, VA 20171
VA0013	Raja Khan Zahra Rizwan (Note 1)	raja.khan@hotworx.net; zahra.rizwan@hotworx.net	(571) 655-6626	2750 Gallows Rd. Suite C Vienna, VA 22180
VA0016	Jennifer Schwartz David Schwartz (Note 1)	jennifer.schwartz@hotworx.net; david.schwartz@hotworx.net	(571) 384-3333	13936 Lee Jackson Memorial Highway Chantilly, VA 20151
VA0017	Melannie Rhoad Michael Rhoad (Note 1)	melannie.rhoad@hotworx.net; michael.rhoad@hotworx.net	(757) 522-7333	1036 Volvo Parkway Suite 5 Chesapeake, VA 23320
VA0019	Helena Welch Lance Welch (Note 1)	helena.welch@hotworx.net; lance.welch@hotworx.net	(703) 720-9158	625 Potomac Station Dr. Leesburg, VA 20176
WASHINGTON				
WA0001	Kuber Gudipati Anupama Gudipati (Note 1)	kubar.gudipati@hotworx.net; anupama.gudipati@hotworx.net	(425) 821-6326	7525 166th Ave. NE D145 Redmond, WA 98052
WA0004	William Johnston Melanie Johnston (Note 1)	william.johnston@hotworx.net melanie.johnston@hotworx.net	(253) 330-8468	1620 Lake Tapps Pkwy E Auburn, WA 98092
WA0005	William Johnston Melanie Johnston (Note 1)	william.johnston@hotworx.net melanie.johnston@hotworx.net	(253) 200-0863	15614 Meridian Ave E, Suite 200 Puyallup, WA 98375
WA0009	Trevor Kettrick Melissa Kettrick (Note 1)	trevor.kettrick@hotworx.net melissa.kettrick@hotworx.net	(509) 315-8048	3028 S. Grand Blvd. Spokane, WA 99203
WA0010	Trevor Kettrick Melissa Kettrick (Note 1)	trevor.kettrick@hotworx.net melissa.kettrick@hotworx.net	(509) 824-6362	1222 N Pines Rd. Spokane Valley, WA 99206
WA0014	Brett Johnson Pauline Johnson Nick Martin Carley Martin	brett.johnson@hotworx.net pauline.johnson@hotworx.net nick.martin@hotworx.net carley.martin@hotworx.net	(360) 447-9328	1753 S. Burlington Blvd., Suite 102 Burlington, WA 98233
WA0015	Trevor Kettrick Melissa Kettrick (Note 1)	trevor.kettrick@hotworx.net melissa.kettrick@hotworx.net	(509) 508-4588	10409 N Newport Highway Spokane, WA 99218

WA0021	Tracey Pidge Marty Cavalluzzi Ciara Boyce (Note 1)	tracey.pidge@hotworx.net ; marty.cavalluzzi@hotworx.net ; ciara.boyce@hotworx.net	(253) 336-3090	7305 40th St. W. University Place, WA 98466
WA0025	Peller Sparks Michelle Sparks (Note 1)	peller.sparks@hotworx.net ; michelle.sparks@hotworx.net	(253) 214-3537	2016 S. 320th Ste. K Federal Way, WA 98003
WISCONSIN				
WI0002	Bryan Bodrog	bryan.bodrog@hotworx.net	(715) 407-4767	2240 Badger Dr. Hudson, WI 54016
WI0003	Jennifer Lamont Douglas Rothgeb Wade Lamont Sarah Rothgeb (Note 1)	jennifer.lamont@hotworx.net douglas.rothgeb@hotworx.net wade.lamont@hotworx.net sarah.rothgeb@hotworx.net	(414) 792-9679	1640 N Water St Milwaukee, WI 53202
WI0004	Jennifer Lamont Douglas Rothgeb Wade Lamont Sarah Rothgeb (Note 1)	jennifer.lamont@hotworx.net douglas.rothgeb@hotworx.net wade.lamont@hotworx.net sarah.rothgeb@hotworx.net	(262) 649-3002	18000 W. Bluemound Rd. Suite L Brookfield, WI 53045
WI0006	Jennifer Lamont Douglas Rothgeb Wade Lamont Sarah Rothgeb (Note 1)	jennifer.lamont@hotworx.net douglas.rothgeb@hotworx.net wade.lamont@hotworx.net sarah.rothgeb@hotworx.net	(608) 318-1432	2412 Montana Ave. Sun Prairie, WI 53590
WEST VIRGINIA				
WV0001	Ernest Pennington John Pennington	ernie.pennington@hotwordxd.net ; john.pennington@hotworx.net	(304) 546-2771	43 RHL Blvd. South Charleston, WV 25309

If you buy this franchise, your contact information may be disclosed to other prospective and current franchisees if and when you leave the franchise system. In some instances, current and former franchisees sign provisions restricting their ability to speak openly about their experience with HOTWORX®. You may wish to speak with current and former franchisees but be aware that not all such franchisees will be able to communicate with you.

Note 1: These franchisees are also Area Developers. Of these Area Developers, 21 were existing franchisees at the beginning of 2023~~2~~ and were granted, collectively, a total of ~~3425~~ additional licenses by Franchisor in 2023~~2~~.

List of Franchise Agreements Signed but Outlet Not Yet Opened

*Displays the state-by-state list of all Franchise Outlets in Development				
Location Code	Franchisee Name	Franchisee Email		DMA
ALABAMA				
AL0029	Derrick Shafter Williams	derrick.williams@hotworx.net	(504) 616-9100	Huntsville-Decatur (Florence)
ARIZONA				
AZ0032	Laura Lea Newcomb (Note 1)	laura.newcomb@hotworx.net	(480) 232-7437	Phoenix (Prescott)
AZ0039	Rebecca Dillon & Kylee O'Connell	Rebecca.dillon@hotworx.net kylee.oconnell@hotworx.net	(541) 441-2772	Phoenix (Prescott)
AZ0040	Todd Murphy & Shawn Borden	Todd.murphy@hotworx.net shawn.borden@hotworx.net	(602) 708-4425; (602) 403-4966	Phoenix (Prescott)
AZ0045	Saravanan Mathivanan & Chitra Krishnamurty	Saravanan.mathivanan@hotworx.net; chitra.krishnamurty@hotworx.net	(623) 755-2930	Phoenix (Prescott)
AZ0046	William & Bailee Whiting Kristi & Tom Chapo	William.whiting@hotworx.net; bailee.whiting@hotworx.net; kristi.chapo@hotworx.net; tom.chapo@hotworx.net	(480) 234-6967; (435) 681-0018; (801) 860-7073; (480) 415-6541	Phoenix (Prescott)
AZ0047	Kianoosh Jafari & Ariana Lambert	kianoosh.jafari@hotworx.net; ariana.lambert@hotworx.net	(630) 776-1550; (928) 607-7874	Phoenix (Prescott)
ARKANSAS				
AR0020	Jennifer Pruitt & Jonathan Pruitt (Note 1)	Jennifer.pruitt@hotworx.net; Jonathan.pruitt@hotworx.net	(479) 209-6575; (479) 209-9600	Fort Smith-Fayetteville-Springdale Rogers
CALIFORNIA				
CA0025	Scott Schwantes Jill Schwantes (Note 1)	scott.schwantes@hotworx.net jill.schwantes@hotworx.net	(559) 967-2000	Fresno-Visalia
CA0031	Sunny Edmisten (Note 1)	sunny.edmisten@hotworx.net	(916) 451-8676	Sacramento-Stockton-Modesto

CA0058	Michael Wilkins Julie Wilkins (Note 1)	michael.wilkins@hotworx.net julie.wilkins@hotworx.net	(310) 463-1061	Sacramento-Stockton-Modesto
CA0059	Michael Wilkins Julie Wilkins (Note 1)	michael.wilkins@hotworx.net julie.wilkins@hotworx.net	(310) 463-1061	Sacramento-Stockton-Modesto
CA0065	Debbie Pearson David Joseph Pearson (Note 1)	debbie.pearson@hotworx.net david.pearson@hotworx.net	(708) 819-3896 (704) 905-3966	Los Angeles
CA0076	Courtney Ellen Marquez Roberto Mateo Marquez Sarah Ann Brewer David Brewer Brandon James Fahl Ana-Alicia Fahl (Note 1)	courtney.marquez@hotworx.net roberto.marquez@hotworx.net sarah.brewer@hotworx.net david.brewer@hotworx.net brandon.fahl@hotworx.net ana.fahl@hotworx.net	(530) 828-3603 (530) 566-2262 (530) 354-7266 (530) 868-8076 (302) 547-4663 (530) 218-1456	Sacramento-Stockton-Modesto
CA0079	Blanca N. Lujan Julian A. Lujan	blanca.lujan@hotworx.net julian.lujan@hotworx.net	(909) 994-3902	Los Angeles
CA0080	Neil Robert Lundy Jr. Nancy Lundy (Note 1)	neil.lundy@hotworx.net nancy.lundy@hotworx.net	(650) 226-6474	San Francisco-Oakland-San Jose
CA0085	Lorenzo Lavonn Neal Kayla Dawn Wilson (Note 1)	lorenzo.neal@hotworx.net kayla.wilson@hotworx.net	(559) 374-1723 (559) 244-1006	Fresno-Visalia
CA0090	Sharon Victoria Mueller Stephen Michael Mueller Jr. (Note 1)	sharon.mueller@hotworx.net michael.mueller@hotworx.net	(559) 696-0500 (559) 314-4020	Los Angeles
CA0093	Stella T. Pak William L. Ha	stella.pak@hotworx.net william.ha@hotworx.net	(909) 764-4840 (909) 764-4838	Los Angeles

CA0095	"Jim" James Edward Fick, Julie Fick, Jeff Press, Jennifer Press	jim.fick@hotworx.net julie.fick@hotworx.net jeff.press@hotworx.net jennifer.press@hotworx.net	(661) 904-3064 (661) 755-0711 (661) 755-0733	Los Angeles
CA0102	Nancy Moeller Todd Moeller (Note 1)	nancy.moeller@hotworx.net todd.moeller@hotworx.net	(909) 764-4840 (909) 764-4838	Los Angeles
CA0103	Nancy Moeller Todd Moeller (Note 1)	nancy.moeller@hotworx.net todd.moeller@hotworx.net	(909) 764-4840 (909) 764-4838	Los Angeles
CA0106	Michelle Anzaldua Javier Sainz (Note 1)	michelle.anzaldua@hotworx.net javier.anzaldua@hotworx.net	(954) 540-5836 (954) 850-7822	San Diego
CA0109	Andrew Perry (Note 1)	andrew.perry@hotworx.net	(415) 328-2469	San Francisco- Oakland-San Jose
CA0112	Tyler McNabb Ricky Coppo Ryan Bray (Note 1)	tyler.mcnabb@hotworx.net ricky.coppo@hotworx.net ryan.bray@hotworx.net	(909) 764-4840 (909) 764-4838	Bakersfield
CA0113	Yvette Ward (Note 1)	yvette.ward@hotworx.net	(909) 200-7137	Los Angeles
CA0116	Manuel Martin Faizal Nisar (Note 1)	manuel.martin@hotworx.net faizal.nisar@hotworx.net	(954) 540-5836 (954) 850-7822	San Diego
CA0120	Tyler McNabb Ricky Coppo Ryan Bray (Note 1)	tyler.mcnabb@hotworx.net ricky.coppo@hotworx.net ryan.bray@hotworx.net	(909) 764-4840 (909) 764-4838	Santa Barbara-Santa Maria-San luis Obispo
CA0121	James Bord (Note 1)	james.bord@hotworx.net	(925) 394-6232	San Francisco- Oakland-San Jose
CA0127	Dino DiGiulio (Note 1)	dino.digiulio@hotworx.net	(707) 996-2470	San Francisco- Oakland-San Jose
CA0128	Jesse Wylie Wendy Wylie	jesse.wylie@hotworx.net wendy.wylie@hotworx.net	(209) 241-4018 (209) 996-4226	Sacramento-Stockton- Modesto
CA0133	Brian Lancioni Bridget Lancioni	brian.lancioni@hotworx.net bridget.lancioni@hotworx.net	(949) 599-4457 (612) 805-9968	Los Angeles
CA0135	Darius Zandi Mona Zandi (Note 1)	darius.zandi@hotworx.net mona.zandi@hotworx.net	(559) 593-8164	San Diego

CA0138	Patricia Roca	Patricia.roca@hotworx.net	(917) 806-4431	San Diego
CA0139	James Lu Song Lu	James.lu@hotworx.net Song.lu@hotworx.net	(310) 704-4510	Los Angeles
COLORADO				
CO0018	David Bergen Ivan Ostrander Brian Whytlaw (Note 1)	david.bergen@hotworx.net ivan.ostrander@hotworx.net brianw@swcctx.com	(806) 789-6012 (601) 278-9789	Colorado Springs- Pueblo
CA0025	Antony Nicholas Amy Nicholas (Note 1)	Antony.nicholas@hotworx.net Amy.nicholas@hotworx.net	(305) 501-9940	Denver
CO0034	Tim Connelly Karissa Requa (Note 1)	tim.connelly@hotworx.net karissa.requa@hotworx.net	(720) 339-1724	Denver
CO0043	John William Schelter (Note 1)	john.schelter@hotworx.net	(239) 207-6764	Denver
CO0048	Chad Rodine Heather Rodine (Note 1)	Chad.rodine@hotworx.net ; Heather.rodine@hotworx.net	(303) 585-0107	Denver
CO0051	Cynthia Mesa-Toney Jason Mesa-Toney	cynthia@hotworx.net	(303) 521-5415	Grand Junction
CO0052	Steffany Card Daniel Card	Steffany.card@hotworx.net Daniel.card@hotworx.net	(385) 335-6481 (303) 242-1674	Denver
CO0054	Jason Passe Cristina Rui	Jason.passe@hotworx.net Cristina.rui@hotworx.net	(713) 264-2439 (346) 802-1962	Denver
CO0055	Richard Nguyen Kelly Lewis Ponna Ly	Richard.nguyen@hotworx.net Kelly.lewis@hotworx.net Ponna.ly@hotworx.net	(469) 348-5772 (817) 8008-8894	Denver
CONNECTICUT				
CT0002	Heather Jane McHugh (Note 1)	heatherjane.mchugh@hotworx.net	(860) 823-8588	Hartford & New Haven
FLORIDA				
FL0012	Matt Bater Sheila Bater (Note 1)	matt.bater@hotworx.net sheila.bater@hotworx.net	(703) 869-7577 (407) 212-2446	Orlando-Daytona Beach-Melbourne
FL0039	Debra Upright Scott Upright (Note 1)	debra.upright@hotworx.net scott.upright@hotworx.net	(989) 525-6969 (989) 737-8232	Tampa-St. Petersburg (Sarasota)

FL0056	Mary Robinson Jeffrey Ruiz Kristoffer Beezley Jeannette Beezley (Note 1)	mary.robinson@hotworx.net jeffrey.ruiz@hotworx.net kristoffer.beezley@hotworx.net jeannette.beezley@hotworx.net	(301) 995-5952 (661) 312-3970 (407) 271-3268 (407) 802-8137	Orlando-Daytona Beach-Melbourne
FL0063	Vincent Mitchell Ashley Mitchell (Note 1)	vincent.mitchell@hotworx.net ashley.mitchell@hotworx.net	(239) 823-9417 (239) 839-1512	Fort Myers-Naples
FL0080	Nathan Charles Marks Katryna Anne Marks (Note 1)	nathan.marks@hotworx.net katryna.marks@hotworx.net	(407) 760-3140 (407) 810-5747	Orlando-Daytona Beach-Melbourne
FL0098	Katy Langkamp Trenton Langkamp (Note 1)	katy.langkamp@hotworx.net trenton.langkamp@hotworx.net	(941) 243-2161 (941) 243-2160	Tampa-St. Petersburg (Sarasota)
FL0101	Sandra Salce	sandra.salce@hotworx.net	(954) 592-4060	West Palm Beach- Fort Pierce
FL0105	Anthony Laron Walker Jr. (Note 1)	anthony.walker@hotworx.net	(786) 506-1262	Miami-Fort Lauderdale
FL0108	Diane Jeremias Emily Garrity (Note 1)	diane.jeremias@hotworx.net emily.garrity@hotworx.net	(630) 391-0660 (773) 837-6696	Tampa-St. Petersburg (Sarasota)
FL0112+	Jessica Rae Zonker Daniel Richard Headlee (Note 1)	jessica.zonker@hotworx.net daniel.headlee@hotworx.net	(402) 714-2952	Fort Myers-Naples
FL0117	Lindsay Michelle Noel Duane Noel	lindsay.noel@hotworx.net duane.noel@hotworx.net	(206) 940-8707 (954) 547-5668	Miami-Fort Lauderdale
FL0128	Nadia M. Luttner (Note 1)	nadia.luttner@hotworx.net	(412) 956-9432	West Palm Beach- Fort Pierce
FL0143	Robert A. Parsons Michele Parsons Brittany Parsons	bob.parsons@hotworx.net michele.parsons@hotworx.net brittany.parsons@hotworx.net brian.sakovits@hotworx.net	(407) 402-8106	Orlando-Daytona Beach-Melbourne

	Brian Sakovits (Note 1)			
FL0147	Bryan Marshall Alexis Nicole Najarian	bryan.marshall@hotworx.net lex.najarian@hotworx.net	(402) 681-3161 (708) 945-4113	Tampa-St. Petersburg (Sarasota)
FL0150	Anisa Walters	Anisa.walters@hotworx.net	(754) 224-7316	Miami-Fort Lauderdale
FL0151	Jenny Beadle Todd Broadbent (Note 1)	Jenny.beadle@hotworx.net Todd.broadbent@hotworx.net	(502) 419-8731 (502) 594-5940	Tampa-St. Petersburg (Sarasota)
FL0154	Michele Durham John Kleintop (Note 1)	Michele.durham@hotworx.net John.kleintop@hotworx.net	(239) 776-221 (239) 728-1183	Fort Myers-Naples
FL0162	Devin Smith Lucy Smith	Devin.smith@hotworx.net Lucy.smith@hotworx.net	(813) 952-4792 (813) 598-1724	Tampa-St. Petersburg (Sarasota)
FL0166	Michael Mahoney Margaret Mahoney Erin Putis Jason Putis (Note 1)	michael.mahoney@hotworx.net margarget.mahoney@hotworx.net erin.putis@hotworx.net jason.putis@hotworx.net	(617) 719-9049 (978) 836-8848 (978) 836-8849	Orlando-Daytona Beach-Melbourne
FL0167	Riley Seay Jim Seay	Riley.seay@hotworx.net jim.seay@hotworx.net	(850) 544-2661 (850) 510-6740	Tallahassee- Thomasville
FL0169	Thomas DeAlano Krystal DeAlano	Tommy.dealano@hotworx.net Krystal.dealano@hotworx.net	(972) 265-4174 (214) 986-1863	Tampa-St. Petersburg (Sarasota)
FL0170	Katie Goff Justin Blanco	katie.goff@hotworx.net justin.blanco@hotworx.net	(727) 560-2909	Tampa-St. Petersburg (Sarasota)
GEORGIA				
GA0062	Lisa Roy Ryan Roy	lisa.roy@hotworx.net ryan.roy@hotworx.net	(770) 235-6988 (786) 371-1083	Atlanta
GA0067	Janki Mukesh Patel Dhruv Patel	janki.patel@hotworx.net dhruv.patel@hotworx.net	(931) 337-6775 (706) 988-8598	Atlanta
GA0070	Skye Best Charles Best	Skye.best@hotworx.net Charles.best@hotworx.net	(440) 855-0477 (910) 639-0657	Macon

GA0072	Bradford Franklin Delyrria Franklin (Note 1)	bradford.franklin@hotworx.net delyrria.franklin@hotworx.net	(850) 291-8175 (901) 503-5670	Augusta-Aiken
GA0075	Sabrina McAfee Anthony McAfee Gabrielle McAfee (Note 1)	sabrina.mcafee@hotworx.net anthony.mcafee@hotworx.net gabrielle.mcafee@hotworx.net	(863) 604-5900 (863) 604-9202	Atlanta
GA0077	Barbara Meek	barbara.meek@hotworx.net	(678) 365-8586	Atlanta
GA0078	Aaron Petty	Aaron.petty@hotworx.net	(859) 699-2221	Atlanta
GA0079	Davia Dunbar Dameon Dunbar	davia.dunbar@hotwotx.net dameon.dunbar@hotworx.net	(678) 644-3985	Atlanta
HAWAII				
HI0001	Samuel Marc Schafer (Note 1)	sam.schafer@hotworx.net	(808) 359-0991	Honolulu
IOWA				
IA0007	Patrick Jay Chedester Stacy Chedester Maxwell Chedester (Note 1)	pat.chedester@hotworx.net stacy.chedester@hotworx.net max.chedester@hotworx.net	(605) 201-4400 (605) 201-6364	Des Moines-Ames
IA0019	Jennifer Dawn Laughlin William Laughlin (Note 1)	jennifer.laughlin@hotworx.net bill.laughlin@hotworx.net	(319) 930-2911 (319) 325-5080	Des Moines-Ames
IA0023	Stephanie Kottich Sharonn Kruszka (Note 1)	stephanie.kottich@hotworx.net sharon.kruszka@hotworx.net	(402) 350-3490 (402) 960-9945	Des Moine-Ames
IDAHO				
ID0010	Calista Martinez Kerri Sumpter	Calista.martinez@hotworx.net Kerri.sumpter@hotworx.net	(801) 971-5509	Twin Falls
ILLINOIS				

IL0003	Diane Jeremias Emily Garrity (Note 1)	diane.jeremias@hotworx.net emily.garrity@hotworx.net	(630) 391-0660 (773) 837-6696	Chicago
IL0019	Roopen Patel (Note 1)	roopen.patel@hotworx.net	(847) 331-7667	Chicago
IL0029	Tracie Ann Weymouth Danny Weymouth (Note 1)	tracie.weymouth@hotworx.net marshall.weymouth@hotworx.net	(847) 899-1484 (847) 915-2934	Chicago
IL0031	Tony Maghsoudi Rita Dufresne	tony.maghsoudi@hotworx.net rita.dufresne@hotworx.net	(630) 542-8554 (630) 542-8552	Chicago
IL0032	Melissa Ladner (Note 1)	Melissa.ladner@hotworx.net	(601) 550-2443	Paducah-Cape Girardeau-Harrisburg
IL0034	Matthew Kiely Maria Kiely (Note 1)	matt.kiely@hotworx.net maria.kiely@hotworx.net	(630) 881-3029 (312) 451-3483	Chicago
IL0035	Jason Tinman Patricia Tinman (Note 1)	jason.timan@hotworx.net patricia.tinman@hotworx.net	(708) 307-3863 (291) 291-8175	Chicago
IL0039	Monique Gill Michelle Kameka Marquita Blackwell (Note 1)	Monique.gill@hotworx.net Michelle.kameka@hotworx.net Marquita.blackwell@hotworx.net	(773) 387-1776 (773) 612-1510	Chicago
INDIANA				
IN0006	Clifford Evans Lauri Evans (Note 1)	Clifford.evans@hotworx.net Lauri.evans@hotworx.net	(765) 860-8153	Indianapolis
IN0011	Courtney Henchon Brian Henchon Megan Wilson (Note 1)	courtney.henchon@hotworx.net tbrian.henchon@hotworx.net megan.wilson@hotworx.net	(765) 532-8156 (765) 532-8141	Lafayette
IN0022	Kelli Rogerson Michael Rogerson (Note 1)	Kelli.rogerson@hotworx.net Michael.rogerson@hotworx.net	(850) 333-4449 (502) 817-0831	Louisville
IN0023	Nicole Poort	Nicole.poort@hotworx.net	(574) 453-6004	South Bend-Elkhart

KANSAS				
KS0003	Crystal Wiley (Note 1)	crystal.wiley@hotworx.net	(316) 807-2749	Wichita-Hutchinson Plus
KS0011	Vickie Leslie Chad Leslie	vickie.leslie@hotworx.net ; chad.leslie@hotworx.net	(913) 231-6396	Kansas City
KENTUCKY				
KY0019	Benton Dammel Rachel Dammel (Note 1)	Benton.dammel@hotworx.net Rachel.dammel@hotworx.net	(312) 368-1376 (859) 283-2475	Cincinnati
KY0021	Sarah Douglas Eric Douglas	Sarah.douglas@hotworx.net eric.douglas@hotworx.net	(502) 741-5706 (502) 541-6373	Louisville
LOUISIANA				
LA0009	Corey Gomez Tobi Gomez (Note 1)	Corey.gomez@hotworx.net tobi.gomez@hotworx.net	(225) 205-3019 (225) 205-2949	Baton Rouge
LA0024	Dennis Richard Alexis Richard (Note 1)	dennis.richard@hotworx.net alexis.richard@hotworx.net	(504) 250-0445	Lafayette, LA
LA0034	Frederick Joseph Smith Jr. Tracy Smith	frederick.smith@hotworx.net tracy.smith@hotworx.net	(225) 205-8816 (504) 237-1742	Baton Rouge
LA0040	Collins Thotjane Kgoadi Tumi Boitumelo Ngwanyanaotsi le Kgoadi (Note 1)	collins.kgoadi@hotworx.net tumi.kgoadi@hotworx.net	(337) 356-8835 (337) 356-8834	Alexandria, LA
LA0044	Cynthia Leblanc Abel Leblanc Robyn Powell	cynthia.leblanc@hotworx.net ; abel.leblanc@hotworx.net ; robyn.powell@planetbeach.com	(985) 381-4309	New Orleans
LA0045	Cathy Blanchard	Cathy.blanchard@hotworx.net	(504) 231-5489	New Orleans
LA0046	Stephen P. Smith	Steve@hotworx.net	N/A	New Orleans
MASSACHUSETTS				
MA0007	Amanda McHugh Kevin McHugh Greg Rake Laura Rake	amanda.mchugh@hotworx.net kevin.mchugh@hotworx.net greg.rake@hotworx.net	(678) 567-7148	Boston (Manchester)

	(Note 1)	laura.rake@hotworx.net		
MARYLAND				
MD0006	Levon Sutton Adrienne Sutton	Levon.sutton@hotworx.net Adrienne.sutton@hotworx.net	(410) 299-3992	Baltimore
MD0007	Eric Watson Tammie Watson	Eric.watson@hotworx.net Tammie.watson@hotworx.net	(760) 822-8768 (760) 822-8767	Washington, D.C. (Hagerstown)
MICHIGAN				
MI0003	Paul Dudgeon Torrice Dudgeon Rio Dudgeon (Note 1)	paul.dudgeon@hotworx.net torrice.dudgeon@hotworx.net rio.dudgeon@hotworx.net	(586) 212-9975	Detroit
MI0030	Anthony Michael Lasky (Note 1)	tony.lasky@hotworx.net	(517) 617-9090	Lansing
MI0032	Anthony Volante Stacey Volante (Note 1)	Anthony.volante@hotworx.net Stacey.volante@hotworx.net	(248) 978-8451 (810) 278-0990	Detroit
MINNESOTA				
MN0020	Stacy Bengston Dustin Bengston (Note 1)	Stacy.bengston@hotworx.net Dustin.bengston@hotworx.net	(612) 743-5432 (320) 493-7843	Minneapolis-St. Paul
MN0025	Chandra Scholljegerdes James Scholljegerdes	Chandra.scholljegerdes@hotworx.net James.scholljegerdes@hotworx.net	(507) 210-1436 (507) 390-0349	Minneapolis-St. Paul
MN0026	Conrad Mosset Justina Sweet	Conrad.mosset@hotworx.net Justina.sweet@hotworx.net	(651) 500-7968 (651) 338-7082	Minneapolis-St. Paul
MN0029	Ben Zaker Amir Teymouri (Note 1)	Ben.zaker@hotworx.net amir.teymouri@hotworx.net	(612) 282-9512	Minneapolis-St. Paul
MN0032	Natalia Gaston Malik Davis	Natalia.gaston@hotworx.net malik.davis@hotworx.net	(678) 778-2180 (651) 503-0659	Minneapolis-St. Paul

MN0034	Kimberly Perez Brandon Hoffman (Note 1)	Kimberly.perez@hotworx.net Brandon.hoffman@hotworx.net	(605) 553-7534 (319) 891-8260	Mankato
MISSOURI				
MO0028	Rod Murchison Britton Bommarito (Note 1)	Rod.murchison@hotworx.net Britton.bommarito@hotworx.net	(636) 751-8290	St. Louis
MO0043	Norvill Brown Pattie Brown	Norvill.brown@hotworx.net pattie.brown@hotworx.net	(314) 568-5624 (314) 608-5444	St. Louis
MISSISSIPPI				
MS0004	Robert Thornton Lily McDaniel Blake McDaniel	Rob.thornton@hotworx.net lily.mcdaniel@hotworx.net blake.mcdaniel@hotworx.net	(225) 603-5302 (321) 795-1266	Jackson
MS0021	Derry Cook Laura Cook	Derry.cook@hotworx.net Laura.cook@hotworx.net	(601) 278-9789	Memphis
MS0022	Ann Marie Cerise Melissa Grubbs (Note 1)	annmarie.cerise@hotworx.net melissa.grubbs@hotworx.net	(601) 278-9789	New Orleans
NORTH CAROLINA				
NC0003	John Carlton (Note 1)	john.carlton@hotworx.net	(919) 422-2107	Raleigh-Durham (Fayetteville)
NC0020	Nneka Olu-Kpaduwa Gerrard Michael Gerrard	nneka.gerrard@hotworx.net michael.gerrard@hotworx.net	(425) 351-0054 (425) 894-9629	Raleigh-Durham (Fayetteville)
NC0025	Sean Conneen Rebecca Conneen	Sean.conneen@hotworx.net Rebecca.conneen@hotworx.net	(704) 968-9607	Charlotte
NC0035	David C. Bowles Jill Parker (Note 1)	david.bowles@hotworx.net jill.parker@hotworx.net	(704) 798-1788 (704) 728-9747	Charlotte
NC0038	Rian Craig Williams (Note 1)	rian.williams@hotworx.net	(813) 598-3760	Charlotte
NC0040	Kelly Ann Hollabaugh	kelly.hollabaugh@hotworx.net	(704) 650-4119	Charlotte

NC0043	Holley Skelly Timothy Skelly	Holley.skelly@hotworx.net Timothy.skelly@hotworx.net	(214) 445-7566	Charlotte
NC0044	Paul Kostansek Erin Ferguson	Paul.kostansek@hotworx.net Erin.ferguson@hotworx.net	(919) 210-4162 (910) 619-6100	Raleigh-Durham (Fayetteville)
NC0045	Chase Riker Hayley Riker (Note 1)	Chase.riker@hotworx.net Hayley.riker@hotworx.net	(815) 545-1312	Raleigh-Durham (Fayetteville)
NC0048	Bonnie Goethals	Bonnie.goethals@hotworx.net	(202) 997-3893	Charlotte
NC0049	Dustin Runkle Susie Runkle (Note 1)	Dustin.runkle@hotworx.net Susie.runkle@hhotworx.net	(732) 789-8888	Charlotte
NC0050	Jordon Lucas Vincent Coty (Note 1)	Jordon.lucas@hotworx.net Vincent.coty@hotworx.net	(792) 908-3871	Charlotte
NC0053	Carrie Trumbower	Carrie.trumbower@hotworx.net	*919) 602-1865	Raleigh-Durham (Fayetteville)
NEBRASKA				
NE0020	Luther McCoy Leanne Harrell (Note 1)	Luther.mccoy@hotworx.net	(402) 669-3292	Lincoln & Hastings-Kearney
NEW HAMPSHIRE				
NH0004	Daniel LaBerge Robin LaBerge	daniel.laberge@hotworx.net robin.laberge@hotworx.net	(603) 315-7333 (603) 682-6775	Boston (Manchester)
NH0007	Jennifer Twardosky Eric Twardosky (Note 1)	jennifer.twardosky@hotworx.net eric.twardosky@hotworx.net	(603) 939-5567 (603) 234-0701	Boston (Manchester)
NH0017	Gerard Burns	Gerard.burns@hotworx.net	(603) 726-0985	Boston (Manchester)
NH0020	Eric Horner Michelle Horner	Eric.horner@hotworx.net michelle.horner@hotworx.net	(603) 496-2761	Boston (Manchester)
NEW JERSEY				
NJ0002	Jason Andrew Axelrod	jason.axelrod@hotworx.net	(215) 801-0387	New York
NH0013	Jaykumar Patel Nishant Patel Manan Gilitwala Neel Sheth (Note 1)	jay.patel@hotworx.net nishant.patel@hotworx.net manan.gilitwala@hotworx.net neel.sheth@hotworx.net	(215) 375-2443	New York

NJ0014	Jaykumar Patel Nishant Patel Manan Gilitwala Neel Sheth (Note 1)	jay.patel@hotworx.net nishant.patel@hotworx.net manan.gilitwala@hotworx.net neel.sheth@hotworx.net	(215) 375-2443	New York
NJ0016	Andy Bliss Marcy Bliss (Note 1)	Andy.bliss@hotworx.net Marcy.Bliss@hotworx.net	(267) 992-5379	Philadelphia
NH0017	Kimberly Lamberto Vincent Lamberto	Kimberly.lamberto@hotworx.net Vincent.lamberto@hotworx.net	(732) 241-1231	New York
NEW MEXICO				
NM0004	Michael Wayne Moore CaraBeth Moore (Note 1)	michael.moore@hotworx.net carabeth.moore@hotworx.net	(575) 390-6037 (575) 390-4971	Albuquerque-Santa Fe
NM0006	Michael Wayne Moore CaraBeth Moore (Note 1)	michael.moore@hotworx.net carabeth.moore@hotworx.net	(575) 390-6037 (575) 390-4971	Albuquerque-Santa Fe
NM0009	Lisa Westergard Gelinas Claude Gelinas (Note 1)	lisa.gelinas@hotworx.net claudio.gelinas@hotworx.net	(505) 450-2736	Albuquerque-Santa Fe
NM0011	Becky A. Hutson Johnny P. Hutson	becky.hutson@hotworx.net johnny.hutson@hotworx.net	(575) 703-2864 (575) 308-9922	Albuquerque-Santa Fe
NM0012	Blaine Hunt Amber Hogan (Note 1)	Blaine.hunt@hotworx.net amber.hogan@hotworx.net	(808) 979-1752 (858) 353-4404	Albuquerque-Santa Fe
NEVADA				
NV0007	Tiffany Young Kenneth Young (Note 1)	tiffany.young@hotworx.net kenneth.young@hotworx.net	(702) 327-9119 (702) 768-6404	Las Vegas
NEW YORK				
NY0008	Tyson Voelkel Christi Voelkel Alan Bryant Mitchell	christi.voelkel@hotworx.net tyson.voelkel@hotworx.net alan.mitchell@hotworx.net nick.zervis@hotworx.net	(979) 203-5778 (979) 224-5380 (917) 940-3536 (480) 650-6892	New York

	Nick Zervis (Note 1)			
NY0009	Tyson Voelkel Christi Voelkel Alan Bryant Mitchell Nick Zervis (Note 1)	christi.voelkel@hotworx.net tyson.voelkel@hotworx.net alan.mitchell@hotworx.net nick.zervis@hotworx.net	(979) 203-5778 (979) 224-5380 (917) 940-3536 (480) 650-6892	New York
NY0017	Kenneth Burnett Laronda Burnett (Note 1)	Kenneth.burnett@hotworx.net laronda.burnett@hotworx.net	(480) 797-3870 (901) 316-2960	Syracuse
NY0019	Sanela Djencic Vedat Djencic (Note 1)	Sanela.djencic@hotworx.net vedat.djencic@hotworx.net	(917) 992-4037 (917) 992-4471	New York
NY0022	Alex Cocchiola Anthony Bruccoleri Robert Scarpaci (Note 1)	alex.cocchiola@hotworx.net anthony.bruccoleri@hotworx.net robert.scarpaci@hotworx.net	(347) 414-6939 (646) 201-1920 (917) 833-5045	New York
NY00264	Anthony Michael Buchanan Jennifer Buchanan Abby Lynn Rock Nathan D. Rock (Note 1)	tony.buchanan@hotworx.net jennifer.buchanan@hotworx.net abby.rock@hotworx.net nate.rock@hotworx.net	(518) 491-0845 (518) 441-3308	Albany-Schenectady-Troy
NY0027	Raymond Raiche Tara Raiche	Raymond.raiche@hotworx.net Tara.Raiche@hotworx.net	(917) 363-9145 (917) 364-0386	New York
NY0030	Josan Paramjit Kaur Paramjit	josan.paramjit@hotworx.net kaur.paramjit@hotworx.net	(917) 576-5313	New York
NY0031	Laura Goodale	Laura.goodale@hotworx.net	(631) 445-9513	New York

NY0032	Michael Ruggiero	Michael.ruggiero@hotworx.net	(914) 438-1033	New York
NY0033	Ryan Churchman Ashley Churchman	Ryan.churchman@hotworx.net Ashley.churchman@hotworx.net	(716) 548-3825 (315) 532-0794	Buffalo
OHIO				
OH0017	Anne White Mike White (Note 1)	anne.white@hotworx.net mike.white@hotworx.net	(419) 466-5583 (419) 466-5502	Columbus, OH
OH0024	Howard Charles Bruss Wendy Bruss (Note 1)	howard.bruss@hotworx.net wendy.bruss@hotworx.net	(614) 749-6926 (614) 702-3942	Columbus, OH
OH0029	Kimberly Kroener Kendall Gass (Note 1)	kim.kroener@hotworx.net ; kendall.gass@hotworx.net	(513) 205-3500 (513) 368-0048	Cincinnati
OH0031	Robert Wheeling	bob.wheeling@hotworx.net	(602) 772-8432	Cincinnati
OH0035	Samantha Wendt Jesse Wendt	Sammi.wendt@hotworx.net Jesse.wendt@hotworx.net	(608) 774-7742 (715) 790-4190	Cincinnati
OH0036	Robert Moosally Andrienne Handel	robert.mossally@hotworx.net ; andrienne.handel@hotworx.net	(603) 496-2761 ; (330) 509-5965	Youngstown
OKLAHOMA				
OK0021	Ashlee Buchert Brad Buchert Jr. Ken Hamilton Tina Hamilton	ashlee.buchert@hotworx.net bradly.buchert@hotworx.net kenneth.hamilton@hotworx.net tina.hamilton@hotworx.net	(479) 466-6178 (479) 790-8684 (918) 645-8062 (918) 645-7046	Tulsa
OK0033	Janie Sullivan John Sullivan	janie.sullivan@hotworx.net ; john.sullivan@hotworx.net	(469) 765-6339 ; (214) 908-3118	Oklahoma City
OK0034	Richard Glasser Lauren Glasser	Richard.glasser@hotworx.net Lauren.glasser@hotworx.net	(405) 320-0026 (940) 600-9594	Oklahoma City
OREGON				

OR0013	Edward Dickson Bailey Dickson	edward.dickson@hotworx.net ; bailey.dickson@hotworx.net	(562) 477-0763 ; (315) 529-0705	Eugene
OR0014	Evgeni Liakhovich	evgeni.liakhovich@hotworx.net	(503) 475-6303	Portland
PENNSYLVANIA				
PA0003	Tim Alloway	Tim.alloway@hotworx.net	(215) 272-9011	Philadelphia
PA0010	Jaishree D. Mistry Paras Patel	jaishree.mistry@hotworx.net paras.patel@hotworx.net	(215) 805-5030 (215) 704-2328	Philadelphia
PA0011	Joseph Orr Desiree Orr (Note 1)	joey.orr@hotworx.net desiree.orr@hotworx.net	(586) 873-4876	Philadelphia
PA0012	Denis Arthur Byrd Christine Byrd (Note 1)	denis.byrd@hotworx.net christine.byrd@hotworx.net	(412) 537-5145 (412) 736-6575	Pittsburgh
PA0015	Michael P. Restivo Stephanie M. Restivo	mike.restivo@hotworx.net stephanie.restivo@hotworx.net	(303) 710-1299	Pittsburgh
PA0018	Chilee Jonathan Onyeausi Chidelu Onyeausi	chilee.onyeausi@hotworx.net chidelu.onyeausi@hotworx.net	(267) 402-8856 (215) 668-8171	Philadelphia
PA0027	Jason Burns Amy Burns (Note 1)	ason.burns@hotworx.net ; amy.burns@hotworx.net	(724) 939-0508 ; (724) 612-3083	Pittsburgh
PA0029	Robert Goodz	Robert.goodz@hotworx.net	(215) 531-1887	Philadelphia
SOUTH CAROLINA				
SC0014	Harold Melville Antwine III Kietten M. Antwine (Note 1)	trey.antwine@hotworx.net kitty.antwine@hotworx.net	(731) 616-7985 (901) 413-1408	Greenville-Spartanburg-Asheville-Anderson
SC0023	Pamela Bilichuk Alejandro Bilichuk	pam.bilichuk@hotworx.net alex.bilichuk@hotworx.net	(786) 317-8189 (703) 454-2038	Greenville-Spartanburg-Asheville-Anderson
SC0024	Sean B. Conneen Dustin S. Runkle (Note 1)	sean.conneen@hotworx.net dustin.runkle@hotworx.net	(704) 968-9607 (732) 789-8888	Charlotte

SC0008	Paul Langan Martha Langan Kristin Langan Melanie Langan (Note 1)	paul.langan@hotworx.net ; martha.langan@hotworx.net ; kristin.langan@hotworx.net ; melanie.langan@hotworx.net	(843) 686-4572 (843) 247-1300 (843) 384-1338 (843) 415-6870	Savannah
SC0025	Joseph Austin Colopy Michelle Colopy	joe.colopy@hotworx.net michelle.colopy@hotworx.net	(817) 600-0629 (214) 425-1526	Charleston, SC
SC0027	Kelsey Farnham Sheena Vaccaro (Note 1)	kelsey.farnham@hotworx.net ; sheena.vaccaro@hotworx.net	(501) 545-9074 (501) 815-3006	Columbia, SC
SC0030	Alexander Ramos Keesha Pinnock	alexander.ramos@hotworx.net ; keesha.pinnock@hotworx.net	(980) 734-6575 (704) 985-3557	Charlotte
TENNESSEE				
TN0037	Spring Orr Brett Orr	spring.orr@hotworx.net brett.orr@hotworx.net	(901) 949-2308 (865) 696-5485	Knoxville
TN0044	Kate Buckner Aimee Neal Aaron Alberts	kate.buckner@hotworx.net aimee.neal@hotworx.net aaron.alberts@hotworx.net	(248) 410-4627 (313) 443-0413	Nashville
TN0059	Monica Gochee Joshua Gochee (Note 1)	monica.gochee@hotworx.net ; joshua.gochee@hotworx.net	(931) 982-2650 (931) 982-2670	Nashville
TN0062	Amy Lehman Shannon Fyke	amy.lehman@hotworx.net ; shannon.fyke@hotworx.net	(901) 497-8849 (615) 481-5712	Nashville
TEXAS				
TX0121	Kristina Ferruzzi Giancarlo Ferruzzi Lisa Mayfield (Note 1)	kristina.ferruzzi@hotworx.net giancarlo.ferruzzi@hotworx.net lisa.mayfield@hotworx.net	(210) 316-2902 (210) 875-9534 (631) 877-1288	San Antonio
TX0123	Emken Linton Trey Melchor (Note 1)	emken.linton@hotworx.net trey.melchor@hotworx.net	(281) 222-6328	Houston
TX0146	Joshua Chiong Leonard Daye (Note 1)	joshua.chiong@hotworx.net leonard.daye@hotworx.net	(915) 383-8249 (470) 985-8508	El Paso (Las Cruces)
TX0206	Juan Salinas Rhonda Salinas (Note 1)	Juan.salinas@hotworx.net Rhonda.salinas@hotworx.net	(910) 374-8595	Harlingen-Weslaco-Brownsville-McAllen

TX0217	Karla Ramos Paola Ramos Vitala Aramburu Vita Ramos (Note 1)	karla.ramos@hotworx.net ; paola.ramos@hotworx.net ; vitala.aramburu@hotworx.net ; vita.ramos@hotworx.net	(956) 286-5642	Laredo
TX0223	Antonio Guerra Azeneeth Rincon (Note 1)	antonio.guerra@hotworx.net ; azeneeth.rincon@hotworx.net	(956) 545-3909	Harlingen-Weslaco-Brownsville-McAllen
TX0228	Lisa Mayfield Marie Sherlock (Note 1)	lisa.mayfield@hotworx.net marie.sherlock@hotworx.net	(631) 877-1288 (631) 877-7558	Austin
TX0235	Ashley Callahan Benjamin Callahan (Note 1)	ashley.callahan@hotworx.net ben.callahan@hotworx.net	(281) 678-7237, (281) 467-2121	Houston
TX0239	Alisen Sanders Brandon Sanders (Note 1)	alisen.sanders@hotworx.net brandon.sanders@hotworx.net	(325) 374-4614 (325) 374-1105	Austin
TX0256	Kimberly Redmon Haschke Ty Haschke (Note 1)	kim.haschke@hotworx.net ty.haschke@hotworx.net	(361) 648-0041 (361) 648-1106	Victoria
TX0266	LaVona J. Dick Todd Michael Dick Dave Burlington (Note 1)	lavona.dick@hotworx.net todd.dick@hotworx.net dave.burlington@hotworx.net	(832) 816-2090 (281) 615-3214 (832) 901-4616	Houston
TX0269	Maria Villarreal (Note 1)	maria.villarreal@hotworx.net	(214) 769-0881	Dallas-Fort Worth
TX0273	Kelly Lynn Ham Chris Ham	kelly.ham@hotworx.net chris.ham@hotworx.net	(817) 422-8461 (214) 923-1406	Dallas-Fort Worth
TX0274	Staci Di'Anne Soriano Steven Soriano Cindy Ann Griggs	staci.soriano@hotworx.net steven.soriano@hotworx.net cindy.griggs@hotworx.net	(817) 366-5947 (254) 967-3058	Dallas-Fort Worth

TX0275	Juan Alberto Ortiz Corina Ortiz	juan.ortiz@hotworx.net corina.ortiz@hotworx.net	(817) 691-9565 (817) 896-1213	Dallas-Fort Worth
TX0276	Jimmy Cau Lu	jimmy.lu@hotworx.net	(903) 445-0340	Dallas-Fort Worth
TX0277	Ryan Kendrick Cantini	ryan.cantini@hotworx.net	(409) 256-8534	Panama City
TX0279	Franklin Lashley Silana Gaspard Jaspreet Mathur	bobby.lashley@hotworx.net silana.gaspard@hotworx.net Jaspreet.mathur@hotworx.net	(303) 435-6153	Dallas-Fort Worth
TX0289	Blane Morgan Mary Morgan	blane.morgan@hotworx.net ; mary.morgan@hotworx.net	(719) 325-9746 (214) 476-9613	Austin
TX0291	Brandi Munks	Brandi.munks@hotworx.net	(469) 316-5094	Dallas-Fort Worth
TX0292	Jhon Cuthbertson Laleh Cuthbertson (Note 1)	jhon.cuthbertson@hotworx.net ; laleh.cuthbertson@hotworx.net	(409) 766-0386	Houston
TX0296	Cathy Meloy Matthew Meloy Jordan Meloy Nathan Meloy	cathy.meloy@hotworx.net ; matthew.meloy@hotworx.net ; jordan.meloy@hotworx.net ; nathan.meloy@hotworx.net	(713) 819-2656 (281) 974-9094 (210) 380-1501 (713) 294-2882	Houston
TX0300	Franklin Lashley Siliana Gaspard Jaspreet Mathur	bobby.lashley@hotworx.net ; silana.gaspard@hotworx.net ; jaspreet.mathur@hotworx.net	(303) 435-6153	Houston
TX0302	Stephanie Vargas Craig Wright	stephanie.vargas@hotworx.net ; craig.wright@hotworx.net	(512) 300-9630 (512) 715-2312	Austin
TX0303	Richard Nguyen Son Trinh	richard.nguyen@hotworx.net ; son.trinh@hotworx.net	(469) 348-5772	Dallas-Fort Worth
TX0304	Serigo Fernandez Ashley Fernandez	serigo.fernandez@hotworx.net ; ashley.fernandez@hotworx.net	(281) 702-1337	Houston
TX0305	Robert Smathers Cindy Smathers	robert.smathers@hotworx.net ; cindy.smathers@hotworx.net	(713) 261-7152 (281) 650-2636	Houston
TX0306	Stefan Ruiz Whitney Brewster	stefan.ruiz@hotworx.net ; whitney.brewster@hotworx.net	(512) 605-8250 (907) 947-2065	Houston
TX0307	Erica Ruiz	erica.ruiz@hotworx.net ; andres.ruiz@hotworx.net	(832) 754-8864	Houston

	Andres Ruiz			
TX0311	Carrie Teague Corey Teague	carrie.teague@hotworx.net ; corey.teague@hotworx.net	(286) 386-8856 (832) 470-0576	Houston
TX0312	Stacey Duke (Note 1)	Stacey.duke@hotworx.net	(214) 502-2223	Dallas-Fort Worth
TX0313	Tyree Walker LaDonna Walker	Tyree.walker@hotworx.net Ladonna.walker@hotworx.net	(504) 606-9255 (832) 993-4454	Houston
TX0314	Ashlee Campbell Matthew Scott	ashlee.campbell@hotworx.net ; matthew.scott@hotworx.net	(512) 762-8344	Tyler-Longview (Lufkin & Nacogdoches)
TX0315	Luchia Johnson	luchia.johnson@hotworx.net	(830) 213-0025 (830) 331-9814	San Antonio
TX0316	Stacie Soriano Steven Soriano Cindy Griggs	staci.soriano@hotworx.net ; steven.soriano@hotworx.net ; cindy.griggs@hotworx.net	(817) 366-5947 (254) 967-3058	Dallas-Fort Worth
UTAH				
UT0027	Khara Lee Dimick Robert Steven Jojola	khara.dimick@hotworx.net robert.jojola@hotworx.net	(408) 857-5033 (443) 762-8381	Salt Lake City
UT0028	Nathan Edward Taylor Julie Taylor Ethan Taylor (Note 1)	nate.taylor@hotworx.net julie.taylor@hotworx.net ethan.taylor@hotworx.net	(801) 830-9135 (385) 685-8807	Salt Lake City
UT0030	Johnny Anderson Sharon Anderson	johnny.anderson@hotworx.net ; sharon.anderson@hotworx.net	(801) 205-7574 (801) 916-0865	Salt Lake City
VIRGINIA				
VA0022	Jill Garcia Robert Garcia	jill.garcia@hotworx.net ; robert.garcia@hotworx.net	(404) 630-1154	Washington D.C. (Hagerstown)
VA0024	Lauren Marve-Samuel Chris Marve-Samuel	lauren.samuel@hotworx.net ; chris.samuel@hotworx.net	(901) 428-9339	Roanoke-Lynchburg
VA0025	Daniel Colletti Lindsay Colletti	daniel.colletti@hotworx.net ; lindsay.colletti@hotworx.net	(518) 505-8507 (518) 505-0366	Seattle-Tacoma
WASHINGTON				
WA0008	William Johnston	william.johnston@hotworx.net ; melanie.johnston@hotworx.net	(253) 970-1020	Seattle-Tacoma

	Melanie Johnston (Note 1)			
WA0016	Trevor Kettrick Melissa Kettrick Adam Thurston Stephanie Thurston (Note 1)	trevor.kettrick@hotworx.net ; melissa.kettrick@hotworx.net ; adam.thurston@hotworx.net ; stephanie.thurston@hotworx.net	(509) 710-7179	Spokane
WA0029	Siobhan "Noe" Kanoelani Hathaway Christopher M. Hathaway (Note 1)	noe.hathaway@hotworx.net chris.hathaway@hotworx.net	(206) 920-1435 (970) 590-4300	Seattle-Tacoma
WA0032	Jennifer Kathleen Skinner Megan Lea Hodgson Scott Hodgson (Note 1)	jen.skinner@hotworx.net megan.hodgson@hotworx.net scott.hodgson@hotworx.net	(206) 771-2971 (360) 720-6406 (360) 688-4815	Seattle-Tacoma
WA0037	Carli Meek Hallie Meek (Note 1)	carlie.meek@hotworxx.net ; hallie.meek@hotworx.net	(253) 653-4514 (253) 797-6050	Seattle-Tacoma
WA0040	Raeanne Silver (Note 1)	raeanne.silver@hotworx.net	(704) 798-1788	Seattle-Tacoma
WA0043	Cassie Merritt Tanner Merritt	cassie.merritt@hotworx.net ; tanner.merritt@hotworx.net	(360) 333-5250 (360) 421-6902	Seattle-Tacoma
WA0044	Brett Johnson Pauline Johnson Nick Martin Carley Martin	brett.johnson@howorx.net ; pauline.johnson@hotworx.net ; nick.martin@hotworx.net ; carley.martin@hotworx.net	(360) 661-3825 (360) 661-2400 (360) 420-2204	Seattle-Tacoma
WA0045	Shannon Ingrum Trae Brown (Note 1)	shannon.ingrum@hotworx.net ; trae.brown@hotworx.net	(360) 502-1914 (425) 923-5996	Seattle-Tacoma
WA0048	Whitney Cornelison Justin Cornelison (Note 1)	whitney.cornelison@hotworx.net ; justin.cornelison@hotworx.net	(360) 909-4541 (360) 772-5418	Portland, OR

WISCONSIN				
WI0009	Stacy Johnson Patrick Johnson	stacy.johnson@hotworx.net ; patrick.johnson@hotworx.net	(262) 305-0481 (920) 321-4136	Milwaukee
WI0011	Troy Thompson Lora Thompson	troy.thompson@hotworx.net ; lora.thompson@hotworx.net	(312) 550-6337 (920) 224-2158	Milwaukee
WI0013	Brandon Hoffman Vickie Hoffman (Note 1)	brandon.hoffman@hotworx.net ; vickie.hoffman@hotworx.net	(319) 891-8260 (605) 595-7857	Madison
WEST VIRGINIA				
WV0002	Conor Markins	Conor.markins@hotworx.net	(740) 961-5890 (901) 288-9500	Charleston- Huntington

Note 1: These franchisees are also Area Developers.

EXHIBIT D

**HOTWORX® FRANCHISING, LLC
FRANCHISE DISCLOSURE DOCUMENT**

**LIST OF TERMINATED FRANCHISE AGREEMENTS BETWEEN
JANUARY 1, 2023 AND DECEMBER 31, 2023**

ALABAMA	
Joe Elmer & Jennifer Bond Birmingham (Anniston & Tuscaloosa) DMA joeelmerpt@yahoo.com (AL0011, AL0012 & AL0013)	
ARIZONA	
Jason Pack & Daynia Pack Phoenix (Prescott) DMA jason.pack@ymail.com ; daynia.pack@icloud.com (AZ0015 & AZ0016) (Note 1)	Kristi Barnett Tuscan (Sierra Vista) DMA sunandwellnessllc@gmail.com (AZ0025) (Note 1)
Rodney Brown & Angela Robbins Phoenix (Prescott) DMA rbrown1581@gmail.com ; dracdc2005@gmail.com (AZ0019) (Note 1)	Lewis Maxwell & Sophie Maxwell Tuscan (Sierra Vista) DMA lewis_mxwl@yahoo.com ; asdcg6@yahoo.com (AZ0027)
CALIFORNIA	
Anthony Rodriguez Los Angeles DMA anthony@attixus.com (CA0041 & CA0042)	Cheri Thompson & James Slusher Los Angeles DMA cherib43@cox.net ; drslusher@gmail.com (CA0088)
Lauri Favini & Ryan Favini Fresno-Visalia DMA laurieave@gmail.com ; ryanfavini@gmail.com (CA0089)	
COLORADO	
Carolyn Culling Denver DMA carolyn.culling@gmail.com (CO0011, CO0012 & CO0013)	Taryn Weiss, Mark Weiss, Wanda McIntosh & Kevin McIntosh Denver DMA (CO0040, CO0041 & CO0042)
FLORIDA	
Andrew Saphos & Kathleen Vaes Tampa-St. Petersburg (Sarasota) DMA dsaphos@yahoo.com	Kathy Lambert Fort Myers-Naples DMA klmay@live.com

(FL0035 & FL0036) (Note 1)	(FL0122 & FL0123)
Gagan Walia & Sonia Walia Orlando-Daytona Beach-Melbourne DMA gaganw18@gmail.com; soniakwalia@gmail.com (FL0044)	
GEORGIA	
Erin Clay Atlanta DMA eclay32@gmail.com (GA0027 & GA0028)	Franklin Langham & Ashley Langham Atlanta DMA & Augusta-Aiken DMA jflangham91@gmail.com; ashleylangham323@gmail.com (GA0054 & GA0055)
Jahbarrius Webb & Apryl Webb Atlanta DMA jedyn2004@yahoo.com; jb_wbb@yahoo.com (GA0061)	
MICHIGAN	
Mason Maroki & Hussein Elatat Detroit DMA masonmaroki@yahoo.com; husseinlatat@gmail.com (MI0024)	Sylvie Hang & Tong Hang Detroit DMA shangrdh@hotmail.com; tong_hang@comcast.net (MI0029)
MINNESOTA	
Adam Born Minneapolis- St. Paul DMA adam.born@gmail.com (MN0002 & MN0003) (Note 1)	
MONTANA	
Melissa Fuller & Brett Scott Billings DMA melfuller76@outlook.com; coachscott907@yahoo.com (MT0002)	
NEW MEXICO	
Mike Drennon & Erin Drennon Albuquerque-Santa Fe DMA mbdrennon@gmail.com; erinedrennon@gmail.com (NM0001) (Note 1)	
NEVADA	

Steve Houle & Caren Solberg Las Vegas DMA stevehoule@outlook.com ; carensolberg@gmail.com (NV0023)	
NORTH CAROLINA	
Gavin Smith & Nikki Smith Charlotte DMA gavin@dwrealtyteam.com ; nikalini1984@gmail.com (NC0041)	Robert Sylverstein Raleigh-Durham (Fayetteville) DMA bsylverstein@gmail.com
OHIO	
Sean Spraley & Chan Spraley Cincinnati DMA spraley@gmail.com (OH0028)	
OREGON	
Amber Tyndal Portland, OR DMA astyndal@gmail.com (OR0008)	
PENNSYLVANIA	
Paul Onofrio Philadelphia DMA ponofrio82@gmail.com (PA0007, PA0008 & PA0009)	
SOUTH CAROLINA	
Monte Porter & Gail Porter Myrtle Bach-Florence DMA monty@eztrench.com ; gtporter@eztrench.com (SC0021)	
TENNESSEE	
Rhonda Rousseau, Christopher Rousseau, James Baker, Cydna Baker, Bubba Bonds & Natalie Bonds Nashville DMA chrisrousseau7742@gmail.com ; rhondarousseau73@gmail.com ; jbaker101792@yahoo.com ; cbaker101792@yahoo.com ; bnbonds@aol.com ; nataliebonds36@gmail.com (TN0049)	
TEXAS	
Vijay Nair	Jarod Guier & Lindsay Guier

Austin DMA vijaynair@me.com (TX0088) (Note 1)	Dallas-Fort Worth Jarod.guier@gmail.com (TX0103) (Note 1)
Emken Linton & Trey Melchor Houston DMA royemken@yahoo.com ; treymelchor@yahoo.com (TX0125) (Note 1)	Francis Holland & Dawn Holland San Antonio DMA francis.holland@ehrts.com ; ft holland@gmail.com (TX0133 & TX0134)
Luke Duke & Misty McCasland Dallas-Fort Worth DMA luke.duke24@gmail.com ; m_mccasland@yahoo.com (TX0153)	
WYOMING	
Denise Gray & Lawrence Kandel Casper-Riverton DMA dgray0126@gmail.com ; lawjkandel76@gmail.com (WY0001)	

If you buy this franchise, your contact information may be disclosed to other prospective or current franchisees when you leave the franchise system. In some instances, current and former franchisees sign provisions restricting their ability to speak openly about their experience with HOTWORX®. You may wish to speak with current and former franchisees but be aware that not all such franchisees will be able to communicate with you.

Note 1: These franchisees are existing franchisees with open outlet(s) who had additional franchise agreement(s) terminated between January 1, ~~2022~~2023 and December 31, ~~2022~~2023.

LIST OF TERMINATED FRANCHISE AGREEMENTS BETWEEN JANUARY 1, 2024~~3~~ AND ~~APRIL 7~~MARCH 31, 2024

ALABAMA	
Marcus Toal, Brittany Toal, Donna Robinette & Mark Robinette Mobile-Pensacola (Fort Walton Beach) DMA marcustoal@gmail.com ; brittanytoal@gmail.com (AL0019) (Note 1)	Jon Crook & Angie Crook Huntsville-Decatur (Florence) DMA jcrook70@yahoo.com ; angiecrook72@gmail.com (AL0030)

ARIZONA	
Dean Janke & Kelly Janke Phoenix (Prescott) DMA deanjanke@gmail.com ; elitetranscription@cox.net (AZ0022 & AZ0023) (Note 1)	William Whitting, Bailee Whiting, Kristi Chapo & Tom Chapo Phoenix (Prescott) DMA Eben.whiting@gmail.com Baileejones2@gmail.com kchapo@live.com tchapo449@gmail.com (AZ0046)
CALIFORNIA	
Alex Ready & Eric Morris San Francisco-Oakland-San Jose DMA alex.ready23@gmail.com ; ecmorris99@hotmail.com (CA0049, CA0051 & CA0052)	Dolf Renaud & April Lowe Los Angeles DMA dolfrenaud@gmail.com ; alowe1730@gmail.com (CA0061) (Note 1)
Catherine Osorio & Sergio Osorio Los Angeles DMA Nikkir267@gmail.com ; seracing5@yahoo.com (CA0129, CA0130 & CA0131)	
COLORADO	
Debora M. Goetz Denver DMA debramgoetz@gmail.com (CO0008 & CO0009)	
FLORIDA	
Michael Penker & Carmen Penker Tampa-St. Petersburg (Sarasota) DMA mpenker@gmail.com ; clpenker@gmail.com (FL0097)	Asteranda Joseph Miami-Fort Lauderdale DMA ajoseph1027@outlook.com (FL0109 & FL0110)
David Farber Orlando-Daytona Beach-Melbourne DMA dfarber2700@gmail.com (FL0137, FL0138 & FL0139)	Paige Prechter & Paul Prechter Mobile-Pensacola (Fort Walton Beach) DMA paige@campiondevco.com ; paul@campiondevco.com (FL0149)
Kristoffer Beezley & Jeannette Beezley Orlando-Daytona Beach-Melbourne DMA kbeezley@gmail.com thebeezgirl@yahoo.com (FL0056, FL0058 & FL0059)	
GEORGIA	
Joycelyn Wallace	Gregory Lane & Amy Lane

Atlanta DMA jw1275@att.com (GA0035 & GA0069)	Columbus, GA (Opelika, AL) DMA greglaneco@gmail.com ; amylaneco@gmail.com (GA0045 & GA0046) (Note 1)
Dianna Kaga & Greg May Atlanta DMA dianna.kaga@gmail.com ; greg@littledoghomes.com (GA0068)	
<u>HAWAII</u>	
Samuel Schafer Honolulu DMA Smschafer9@gmail.com (HI0001 & HI0002)	
<u>KENTUCKY</u>	
Matt Turner & Carey Turner Lexington DMA m_turner79@yahoo.com ; Cfturner75@gmail.com (KY0009) (Note 1)	
<u>MICHIGAN</u>	
Rhonda Essak & Vance Essak Detroit DMA essakv@yahoo.com ; vke12311982@gmail.com (MI0025)	John and Karilynn Whitley Detroit DMA John.whitley@hotworx.net Karilynn.whitley@hotworx.net (MI0027) (Note 1)
<u>MISSOURI</u>	
John Belcher Biloxi-Gulfport DMA remixllcbelcher@gmail.com (MS0010)	
<u>NEW YORK</u>	
Dennis McMahon & Colleen McMahon New York DMA dmcMahon826@gmail.com ; colleen1726@hotmail.com (NY0025)	
<u>NEW HAMPSHIRE</u>	
Eric Horner & Michelle Horner Boston (Manchester) DMA ehorner@rowleyagency.com ; michellehorner1@comcast.net (NH0020)	

<u>NEVADA</u>	
Tiffany Young & Kenneth Young Las Vegas DMA Tiffyoung4@gmail.com ; Kryoungiii@gmail.com (NV0007) (Note 1)	
<u>OREGON</u>	
Bryan Kelly, Jessica Kelly, Joseph O’Neill & Leighann O’Neill Bend, OR DMA jbkfontes@gmail.com ; appraiserjb@gmail.com ; leighann.fischer@gmail.com ; joneill852@hotmail.com (OR0009)	
<u>OHIO</u>	
Robert Wheeling Cincinnati DMA Bwheeling12@gmail.com (OH0031)	
<u>PENNSYLVANIA</u>	
Corry Niedermeyer & Angela Niedermeyer Erie DMA ellkay05@gmail.com ; ang10874@yahoo.com (PA0035, PA0036, PA0037)	
<u>SOUTH DAKOTA</u>	
Rhonda Whitlock Rapid City DMA; Sacramento-Stockton-Modesto DMA whitlockrn@gmail.com (SD0004 & CA0074)	Nathan Cox & Charles Ford Rapid City DMA nate.cox999@gmail.com ; cford@vqops.com (SD0005)
<u>TENNESSEE</u>	
Timothy Hicks Nashville DMA shannonh5903@gmail.com (TN0058) (Note 1)	
<u>TEXAS</u>	
April Carter Houston DMA; Atlanta DMA draprilcarter@yahoo.com (TX0081 & GA0017) (Note 1)	Thomas Coughlin & Whitney Coughlin Dallas-Fort Worth DMA whitneycockerill82@gmail.com ; coughlin90@gmail.com

	(TX0272)
Carla Sykora & Kenneth Sykora Waco-Temple Bryan DMA ken@sykorafamilyford.com ; carlasykora@westisd.net (TX0253)	Amera Soliman & Ahmed Solimanus Houston DMA aelsaied83@gmail.com ; ahmsolmd@gmail.com (TX0295)
Susan Sandoval & Juan Sandoval Austin DMA Susan_sandoval@hotmail.com ; jsandoval05@hotmail.com (TX0038) (Note 1)	Samantha Asmus & Zachary Asmus Houston DMA Sam.asmus21@gmail.com zasmus@gmail.com (TX0230)
<u>UTAH</u>	
UT0023 Allison and Ryan Anderson Shauna & Jeffery Blum Salt Lake City DMA Allison.anderson@hotworx.net Ryan.anderson@hotworx.net (Note 1) jjzsdz@gmail.com haizyvgk@gmail.com (UT0023)	
<u>VIRGINIA</u>	
Daryn Allday & Michelle Allday Washington D.C. (Hagerstown) DMA daryn_allday@hotmail.com ; michelle_allday@hotmail.com (VA0006) (Note 1)	
<u>WASHINGTON</u>	
Gabriella Skistimas & Greg Skistimas Seattle-Tacoma DMA gs.arnp@gmail.com ; gregskistimas@gmail.com (WA0011, WA0012 & WA0013)	Brian Almond & Rachel Almond Yakima-Pasco-Richland-Kennewick DMA rbalmond@gmail.com ; almsortho@gmail.com (WA0035 & WA0036)

If you buy this franchise, your contact information may be disclosed to other prospective or current franchisees when you leave the franchise system. In some instances, current and former franchisees sign provisions restricting their ability to speak openly about their experience with HOTWORX®. You may wish to speak with current and former franchisees but be aware that not all such franchisees will be able to communicate with you.

Note 1: These franchisees are existing franchisees with open outlet(s) who had additional franchise agreement(s) terminated between January 1, 2024~~3~~ and March 31~~20~~, 2024~~3~~.

LIST OF EXITED DOMESTIC FRANCHISEES THROUGH TRANSFERS
AS OF DECEMBER 31, 2023~~2~~ (prior year only)

ALABAMA	
<u>(AL0009)</u> <u>Joe Elmer</u> <u>1743 Cliff Gookin Blvd.</u> <u>Tupelo, MS 38801</u> <u>662-255-6558</u>	
ARIZONA	
<u>(AZ0001)</u> <u>Jenna Pivo & Trevor Pivo</u> <u>2464 Broadway St.</u> <u>Indianapolis, IN 46205</u> <u>(714) 251-3452; (480) 710-2694</u>	<u>(AR0017)</u> <u>JD Metz & Rubi Metz</u> <u>2315 E. Avenida Del Sol</u> <u>Phoenix, AZ 86204</u> <u>(602) 750-0016</u>
ARKANSAS	
<u>(AR0002 & AR0003)</u> <u>Stephen Gaia, Brian Reeb & Gordan Thompson</u> <u>307 Lakewood Hill Dr.</u> <u>Oxford, MS 38655</u> <u>901-461-0556; 901-438-7332; 901-488-1247</u>	<u>(AR0004)</u> <u>Stephen Gaia & Gordan Thompson</u> <u>307 Lakewood Hill Dr.</u> <u>Oxford, MS 38655</u> <u>901-461-0556; 901-488-1247</u>
COLORADO	
<u>(CO0007)</u> <u>Debora M. Goetz</u> <u>5887 Beeler Street</u> <u>Denver, CO 80238</u> <u>720-628-9502</u>	<u>(CO0029)</u> <u>Emily Ball & Cody Ball</u> <u>3029 68th Avenue Ct.</u> <u>Greely, CO 80634</u> <u>(608) 214-0822; (970) 397-2624</u> <u>(Note 1)</u>
FLORIDA	
<u>(FL0028)</u> <u>Greg King & Lisa King</u> <u>424 Gulf Road</u> <u>North Palm Beach, FL 33408</u> <u>561-313-9324; 561-578-9590</u>	
IOWA	
<u>(IA0004 & IA0005)</u> <u>Michael Hanson & Jennifer Hanson</u> <u>17026 Clay Street</u> <u>Bennington, NE 68007</u> <u>(402) 651-1671; (712) 898-8952</u>	
MICHIGAN	

(MI0010) Kosta Popoff 13264 Enid Blvd. Fenton, MI 48430 (601) 278-9789 (Note 1)	(MI0016) Doddi S. Brewer 6941 Cranberry Lake Rd. Clarkston, MI 48348 (248) 245-8085
(MI0015) John Damin Kirk 363 Autumn Forest Dr. O Fallon, MO 63366 (757) 775-4265	
<u>MINNESOTA</u>	
(MN0006) Gary Sivyer & Denna Sivyer 18674 Dunbury Ave. Farmington, MN 55024 (773) 771-4279; (773) 771-7642	
<u>MISSOURI</u>	
(MO0004) Heather Walker & Jason Walker 4210 NW Lake Drive Lee's Summit, MO 64064 913-515-1613; 913-208-2026	
<u>NEW HAMPSHIRE</u>	
(NH0012) Ryan Allen 280 Wilkins Street Bedford, NH 03110 (603) 858-0742	
<u>NEW MEXICO</u>	
(NM0005) Darlene Anaya & Alpha Adkins 1068 Contabella Lane Bernalillo, NM 87004 (915) 820-0862; (575) 694-1035	
<u>NORTH CAROLINA</u>	
(NC0009) Barbara Thompson & Jared Thompson 3021 Southridge Court Fayetteville, NC 28306 405-246-8201; 910-986-3603	
<u>OKLAHOMA</u>	
(OK0016)	

Rhonda Whitlock 10122 S. 72nd E. Ave. Tulsa, OK 74133 (918) 346-8258	
TENNESSEE	
(TN0039 & TN0040) Joshua Snyder & Regan Hibbs 117 S. Lovell Avenue Chattanooga, TN 37411 (770) 265-3665; (404) 579-0585 (Note 1)	
TEXAS	
(TX0047, TX0048 & TX0049) Sherry Majecki & Robert “Bob” Majecki 145 Garth Lane Hickory Creek, TX 75065 214-215-1500 (Note 1)	(TX0167) Jennifer Owen & Chad Owen 704 Salobre Cibolo, TX 78108 (210) 288-4496; (210) 289-5712
(TX0069) Janie Sullivan & John Sullivan 211 Hunter Pass Waxahacie, TX 75165 (469) 765-6339; (214) 908-3118 (Note 1)	(TX0191) Christi Voelkel & Tyson Voelkel 1009 Sonoma Circle College Station, TX 77845 (979) 224-5380; (979) 203-5778 (Note 1)
WISCONSIN	
(WI0006, WI0007 & WI0008) Thomas Gard 522 Colchester Dr. Oswego, IL 60543 (312) 520-7744 (Note 1)	

If you buy this franchise, your contact information may be disclosed to other prospective or current franchisees when you leave the franchise system. In some instances, current and former franchisees sign provisions restricting their ability to speak openly about their experience with HOTWORX®. You may wish to speak with current and former franchisees but be aware that not all such franchisees will be able to communicate with you.

Note 1: These franchisees transferred [one or more](#) single franchise outlets but remain in the franchise system operating other franchise outlets.

EXHIBIT E

**HOTWORX® FRANCHISING, LLC
FRANCHISE DISCLOSURE DOCUMENT**

FINANCIAL STATEMENTS

~~The financial statements at Exhibit E utilize the Modified Retrospective method in determining the revenue recognition under the current standards of ASC 606.~~

HOTWORX FRANCHISING, LLC

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

MARRERO, LOUISIANA

TABLE OF CONTENTS

Audited Financial Statements:

<u>Independent Auditors' Report</u>	<u>Page</u>	<u>3 - 4</u>
<u>Consolidated Balance Sheets</u>		<u>5</u>
<u>Consolidated Statements of Operations and Changes in Members' Deficit</u>		<u>6</u>
<u>Consolidated Statements of Cash Flows</u>		<u>7</u>
<u>Notes to the Consolidated Financial Statements</u>		<u>8 - 20</u>



KPMG LLP
Suite 2850
909 Poydras Street
New Orleans, LA 70112

Independent Auditors' Report

To the Members

HOTWORX Franchising, LLC:

Opinion

We have audited the consolidated financial statements of HOTWORX Franchising, LLC and its subsidiary (the Company), which comprise the consolidated balance sheets as of December 31, 2023 and 2022, and the related consolidated statements of operations and changes in members' deficit, and cash flows for each of the years in the three-year period ended December 31, 2023, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2023 and 2022, and the results of its operations and its cash flows for each of the years in the three-year period ended December 31, 2023 in accordance with U.S. generally accepted accounting principles.

Basis for Opinion

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

Responsibilities of Management for the Consolidated Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a

material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with GAAS, we:

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

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

/s/ KPMG

New Orleans, Louisiana
July 19, 2024

HOTWORX FRANCHISING, LLC AND SUBSIDIARY
CONSOLIDATED BALANCE SHEETS

	As of December 31,	
	<u>2023</u>	<u>2022</u>
<u>ASSETS</u>		
<u>Current Assets:</u>		
Cash and Cash Equivalents	68,679	935,128
Restricted Cash	172,250	245,100
Investment Securities	2,625,335	979,164
Receivables	549,610	361,735
Due from Affiliates	4,782,121	2,029,544
Prepaid Insurance	10,048	193,090
Other Current Assets	20,845	71,411
Current Portion of Deferred Commissions Expense	518,129	379,504
<u>Total Current Assets</u>	<u>8,747,017</u>	<u>5,194,676</u>
Property and Equipment, Net	2,504,212	564,697
Lease Right-of-use Assets	75,068	103,186
Deferred Commission Expense, net of current portion	5,763,768	4,562,212
<u>Total Assets</u>	<u>17,090,065</u>	<u>10,424,771</u>
<u>LIABILITIES AND MEMBERS' DEFICIT</u>		
<u>Current Liabilities:</u>		
Accounts Payable	526,823	133,316
Accrued Expenses	326,397	322,549
Insurance Notes Payable	25,535	171,337
Lease Right-of-use Liabilities	41,501	38,597
Due to Affiliates	19,065	9,065
Note Payable	429,022	-
Notes Payable to Affiliates	700,000	-
Current Portion of Deferred Franchise Fees	1,303,090	1,073,906
<u>Total Current Liabilities</u>	<u>3,371,433</u>	<u>1,748,770</u>
<u>Long-Term Liabilities:</u>		
Deferred Franchise Fees	14,495,833	12,909,970
Notes Payable to Affiliates, net of current portion	50,000	-
Lease Right-of-use Liabilities, net of current portion	76,299	121,356
<u>Total Liabilities</u>	<u>17,993,565</u>	<u>14,780,096</u>
Non-Controlling Interests' of Consolidated Subsidiary	(42,633)	(22,361)
<u>Members' Deficit</u>	<u>(860,867)</u>	<u>(4,332,964)</u>
<u>Total Liabilities and Members' Deficit</u>	<u>17,090,065</u>	<u>10,424,771</u>

See accompanying notes to consolidated financial statements.

HOTWORX FRANCHISING, LLC AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF OPERATIONS AND CHANGES IN MEMBERS' DEFICIT

	<u>For the years ended December 31,</u>		
	<u>2023</u>	<u>2022</u>	<u>2021</u>
<u>Revenue:</u>			
Franchise Fees	2,589,378	2,354,912	1,495,174
Recurring and Other Related Fees	6,035,926	3,439,588	2,007,631
Product Sales	277,876	321,411	358,285
Vendor Rebates	155,310	29,928	6,588
<u>Total Revenue</u>	<u>9,058,490</u>	<u>6,145,839</u>	<u>3,867,678</u>
<u>Expenses:</u>			
Cost of Goods Sold	303,702	301,922	335,914
Operating Expenses	2,079,812	1,487,523	1,245,043
Advertising and Marketing	1,384,987	1,142,828	1,333,154
Payroll and Related Payroll Taxes	1,101,949	852,897	654,726
Commissions	775,221	565,277	263,064
Depreciation	56,007	57,800	42,413
<u>Total Expenses</u>	<u>5,701,678</u>	<u>4,408,247</u>	<u>3,874,314</u>
<u>Operating Income (Loss)</u>	<u>3,356,812</u>	<u>1,737,592</u>	<u>(6,636)</u>
<u>Other Income (Expense):</u>			
Realized Loss on Equity Securities	(57,679)	(120,075)	(5,234)
Unrealized Gain (Loss) on Equity Securities	380,064	(181,186)	150,304
Interest and Dividends	64,620	21,873	6,236
Interest Expense	(34,497)	-	-
Other Income	505	33,712	13,424
<u>Other Income (Expense)</u>	<u>353,013</u>	<u>(245,676)</u>	<u>164,730</u>
<u>Net Income</u>	<u>3,709,825</u>	<u>1,491,916</u>	<u>158,094</u>
Net Income (loss) Attributable to Non-Controlling Interest	20,272	(7,362)	(5,138)
<u>Net Income Attributable to HOTWORX Franchising, LLC</u>	<u>3,730,097</u>	<u>1,484,554</u>	<u>152,956</u>
<u>Members Deficit Beginning of the Year</u>	<u>(4,332,964)</u>	<u>(5,491,118)</u>	<u>(5,021,074)</u>
Member's Distributions	(258,000)	(326,400)	(623,000)
<u>Members Deficit End of the Year</u>	<u>(860,867)</u>	<u>(4,332,964)</u>	<u>(5,491,118)</u>

See accompanying notes to consolidated financial statements.

HOTWORX FRANCHISING, LLC AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF CASH FLOWS

	For the years ended December 31,		
	2023	2022	2021
Cash Flows from Operating Activities			
Net Income	3,709,825	1,491,916	158,094
Adjustments to Reconcile Net Income to Net Cash			
Provided by Operating Activities:			
Depreciation	56,007	57,800	42,413
Non-cash Lease Expense	28,118	26,996	25,904
Amortization of Contract Assets	775,221	565,277	263,064
Amortization of Contract Liabilities	(2,589,378)	(2,354,912)	1,495,174
Realized Losses on Equity Securities	57,679	120,075	5,234
Unrealized (Gains) Losses on Equity Securities	(380,064)	181,186	(150,304)
Change in Operating Assets and Liabilities			
Receivables	(187,875)	(180,402)	(46,709)
Prepaid Insurance and Other Current Assets	233,608	1,634	(247,570)
Deferred Commissions	(2,115,402)	(1,985,610)	(2,223,447)
Accounts Payable	259,236	(20,825)	97,555
Accrued Expenses	3,848	44,280	160,020
Lease Right-of-use Liabilities	(42,153)	(41,032)	(39,940)
Deferred Franchise Fees	4,404,425	4,473,249	1,967,993
Due to / from Affiliates	(2,742,577)	(980,979)	(727,939)
Net Cash provided by Operating Activities	1,470,518	1,398,653	779,542
Cash Flows from Investing Activities			
Purchases of Property and Equipment	(1,861,251)	(5,274)	(576,429)
Purchases of Available-for-Sale Investments	(2,825,904)	(1,248,120)	(390,000)
Proceeds from Maturities of Available-for-Sale Investments	1,502,118	777,069	52,600
Net Cash used in Investing Activities	(3,185,037)	(476,325)	(913,829)
Cash Flows from Financing Activities			
Proceeds from Notes Payable	1,029,022	—	—
Payments of Notes Payable	(600,000)	—	—
Payments of Insurance Notes Payable	(191,531)	(18,482)	(8,623)
Proceeds from Insurance Notes Payable	45,729	189,819	—
Proceeds from Notes Payable to Affiliates	750,000	—	—
Members' Distributions	(258,000)	(326,400)	(623,000)
Net Cash Provided by (Used in) Financing Activities	775,220	(155,063)	(631,623)
Net (decrease) increase in Cash and Cash Equivalents and Restricted Cash	(939,299)	767,265	(765,910)
Cash and Cash Equivalents and Restricted Cash at Beginning of Year	1,180,228	412,963	1,178,873
Cash and Cash Equivalents and Restricted Cash at End of Year	240,929	1,180,228	412,963
Supplemental Disclosures of Cash Flow Information:			
Cash Paid for Interest	31,351	985	—
Non-Cash Investing Activities			
Property and Equipment in Accounts Payable	134,271	—	—

[See accompanying notes to consolidated financial statements.](#)

HOTWORX FRANCHISING, LLC AND SUBSIDIARY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of December 31, 2023 and 2022 and for the years ended
December 31, 2023, 2022 and 2021

Note 1 – Nature of Business and Basis of Presentation

Nature of Business

HOTWORX Franchising, LLC is a Wyoming based limited liability company formed on November 26, 2016, to offer and sell franchises throughout the United States of America for the operation of 24-hour studios that offer hot exercise services, fitness products and other related specialty items. HOTWORX Franchising, LLC has a consolidated variable interest entity, HWX Chicago, LLC, (“HWX Chicago”, together with HOTWORX Franchising, LLC, the “Company”).

Basis of Presentation

The consolidated financial statements contained in this report were prepared in accordance with accounting principles generally accepted in the United States of America (“US GAAP”) for all periods presented and include the accounts of the Company and its variable interest entity.

Note 2 – Significant Accounting Policies

Principles of Consolidation and Non-Controlling Interests

The Company assesses all entities with which it is involved for consolidation on a case-by-case basis, depending on the specific facts and circumstances surrounding each entity. Pursuant to ASC 810, *Consolidations* (“ASC 810”), the Company first evaluates whether it holds a variable interest in an entity. The Company considers all economic interests, including proportionate interests through affiliates, to determine if such interests are to be considered a variable interest. For any entity where the Company has determined that it does hold a variable interest, the Company performs an assessment to determine whether it qualifies as a variable interest entity (“VIE”).

Under the variable interest entity model, the Company consolidates those entities where it is determined that the Company is the primary beneficiary of the entity. The Company is determined to be the primary beneficiary when it has a controlling financial interest in the VIE, which is defined as possessing both (a) the power to direct the activities of the VIE that most significantly impact the VIE’s economic performance, and (b) the obligation to absorb losses of the VIE or the right to receive benefits from the VIE that could potentially be significant to the VIE. If the Company alone is not considered to have a controlling financial interest in the VIE but the Company and its affiliates under common control in the aggregate have a controlling financial interest in the VIE, the Company will be deemed to be the primary beneficiary if it is the party that is most closely associated with the VIE. When the Company and its affiliates not under common control in the aggregate have a controlling financial interest in a VIE, the Company would be deemed to be the primary beneficiary if substantially all the activities of the entity are performed on behalf of the Company.

The Company records non-controlling interests in the HWX Chicago partnership for which the Company’s ownership is less than 100%.

All material intercompany transactions and balances have been eliminated. The subsidiary is fully consolidated from the date the Company obtains control and continue to be consolidated until the date that such control ceases.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

The Company considers all highly liquid instruments purchased with an initial maturity of three months or less to be cash equivalents.

Restricted Cash

The Company had restricted cash related to escrowed customer franchise deposits in the states of California and Washington. As of December 31, 2023 and 2022, the Company had Cash and Restricted cash as follows:

	<u>As of December 31,</u>	
	<u>2023</u>	<u>2022</u>
-	-	-
-	-	-
Cash	68,679	935,128
Restricted Cash	172,250	245,100
Total Cash, Cash Equivalents and Restricted Cash	240,929	1,180,228

Allowance for Credit Losses

On January 1, 2023, the Company adopted ASC 326, *Financial Instruments – Credit Losses* (“ASC 326”), which requires the measurement of expected credit losses. ASC 326 resulted in an immaterial adjustment upon adoption.

ASC 326 requires estimated credit losses to be determined for the expected life of the asset, as compared to an incurred loss model which was in effect for periods prior to 2023.

The Company records an allowance for credit losses (“ACL”) for the current expected credit losses (“CECL”) inherent in its financial assets measured at amortized cost and contract assets. The ACL is a valuation account deducted from the amortized cost basis to present the net amount expected to be collected. The estimate of expected credit losses includes expected recoveries of amounts previously written off and amounts expected to be written off.

The estimate of expected credit losses is based on the Company’s historical loss experience, adjusted for current, reasonable and supportable forecasts of economic conditions and other pertinent factors affecting the Company’s customers, such as known credit risk or industry trends. The allowance is estimated over the contractual term of the financial asset adjusted for expected prepayments. The Company does not have any off-balance sheet credit exposures.

Receivables

Receivables consist primarily of amounts due for franchise fees, recurring fees and product sales, which are carried at original invoice amounts net of the ACL and do not bear interest.

Investment Securities

The Company owns equity securities through its brokerage accounts, which are accounted for under ASC 321, *Investments – Equity Securities* (“ASC 321”), in current assets as of December 31, 2023 and 2022.

The Company owns a bond, which is accounted for under ASC 320, *Investments – Debt Securities* (“ASC 320”), as available-for-sale and recorded at fair value with subsequent changes to fair value recorded on the Consolidated Statement of Operations and Changes in Members’ Deficit. The amortized cost of the bond is \$50,000, and the unrealized gain on the bond is \$1,631 as of December 31, 2023.

The table below reflects the fair value of the Company’s investments in debt and equity securities as of December 31, 2023:

	<u>Corporate Fixed Income</u>	<u>Mutual Funds</u>	<u>Alternative Investments</u>	<u>Stock and Money Market Securities</u>	<u>Total</u>
<u>Equity Securities</u>	-	229,490	271,032	2,073,182	2,573,704
<u>Debt Securities</u>	51,631	-	-	-	51,631
<u>Total</u>	51,631	229,490	271,032	2,073,182	2,625,335

The Company held stock and money market securities recorded at their fair value of \$979,164 and reported as investment in equity securities as of December 31, 2022.

The Company recorded (\$57,679), (\$120,075) and (\$5,234) in realized losses and \$380,064, (\$181,186), and \$150,304 in unrealized gains/(losses) for the years ended December 31, 2023, 2022, and 2021 respectively, related to its investments in debt and equity securities.

The cost basis of equity securities held as of December 31, 2023 and 2022, was \$2,172,903 and \$957,577, respectively.

Refer to Note 5 – Fair Value Disclosure for additional information on the fair value input levels hierarchy.

Concentration of Credit Risk

Financial instruments that potentially subject the Company to concentrations of credit risk consist primarily of cash and investment securities. The Company’s cash balance may exceed federally insured limits. The Company’s investment securities are exposed to various risks, such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the value of investment securities will occur in the near term and that such changes could materially affect the financial statements.

HOTWORX® Franchising, LLC
Franchise Disclosure Document 7/19/2024
Reg and Non-Reg states except Maryland

Property and Equipment

Property and equipment and leasehold improvements are recorded at cost less accumulated depreciation. Depreciation is calculated using the straight-line method over the estimated useful lives of the various classes of depreciable assets, which range from three to 39 years. Leasehold improvements are amortized using the straight-line method over the shorter of their estimated useful lives or the reasonably assured lease term. Routine maintenance, repairs and replacement costs are expensed as incurred and improvements that extend the useful life of the assets are capitalized.

Revenue Recognition

Revenue is recognized in accordance with ASC 606, *Revenue from Contracts with Customers* (“ASC 606”), using the five-step revenue model, as follows: identifying the contract with the customer; identifying the performance obligations in the contract; determining the transaction price; allocating the transaction price to the performance obligations; and recognizing revenue when (or as) the entity satisfies a performance obligation.

The Company enters into franchise agreements with each franchised studio. The Company’s performance obligation under the franchise license is granting certain rights to access the Company’s intellectual property; all other services the Company provides under the franchise agreement are highly interrelated, not distinct within the contract, and are therefore accounted for as a single performance obligation, which is satisfied over the term of each franchise agreement. Those services include initial development, operational training, preopening support and access to the Company’s technology throughout the franchise term. Fees generated related to the franchise license include development fees, royalty fees, marketing fees, technology fees and transfer fees, which are discussed further below. Variable fees are not estimated at contract inception, and are recognized as revenue when earned, which occurs monthly, via bank draw from the franchisee. The Company has concluded that its agreements do not contain any financing components.

Franchise development fee revenue – The Company’s franchise agreements typically operate under ten-year terms with options to renew perpetually, subject to conditions, for five-year successive terms. The Company determined the renewal options are neither qualitatively nor quantitatively material and do not represent a material right. Initial franchise fees are non-refundable and are typically collected upon signing of the franchise agreement. Initial franchise fees are recorded as deferred revenue when received and are recognized on a straight-line basis over the franchise life, which the Company has determined to be ten years, as the Company fulfills its promise to grant the franchisee the rights to access and benefit from the Company’s intellectual property and to support and maintain the intellectual property.

As part of a franchise development agreement, the Company may enter into an area development agreement. Area development agreements are for a territory in which a developer has agreed to develop and operate a certain number of franchise locations over a stipulated period of time. The related territory is unavailable to any other party and is no longer marketed to prospective future franchisees by the Company. Depending on the number of studios purchased under franchise agreements or area development agreements, the initial franchise fee packages range in price starting at \$19,950 for a single license with increasing volume discounts offered for multiple license purchase. Payments for franchise license purchases are paid to the Company when a franchisee signs the agreement. Development fees are initially recorded as deferred revenue. The development fees are allocated to the number of studios purchased under the development agreement. The revenue is recognized on a straight-line basis over the franchise life for each studio under the development agreement when the respective option is exercised and a franchise agreement for the

HOTWORX® Franchising, LLC

Franchise Disclosure Document 7/19/2024

Reg and Non-Reg states except Maryland

location is executed. Unamortized development fees and franchise fees are generally recognized as revenue upon the termination of the development agreement with the franchisee.

Franchise royalty fee revenue – Royalty revenue represents royalties earned from each of the franchised studios in accordance with the franchise disclosure document and the franchise agreement for use of the brands’ names, processes and procedures. Royalties are charged monthly. The royalties are entirely related to the Company’s performance obligation under the franchise agreement and are charged and recognized as franchisee sales occur. Franchise royalty fees are \$3,307,585, \$2,138,845 and \$1,274,650 for the years ended December 31, 2023, 2022 and 2021, respectively.

Technology fees – The Company provides access to third-party or other proprietary technology solutions to the franchisees for a fee. The technology solution includes various software licenses for statistical tracking, scheduling, allowing club members to record their personal workout statistics, music and technology support. The Company charges and recognizes the technology fee as earned each month as the technology solution service is performed. Technology fees are \$1,086,948, \$338,410 and \$155,753 for the years ended December 31, 2023, 2022 and 2021, respectively.

Virtual Instructor (VI) fees – Franchisees are required to pay a VI fee per sauna per month. The fees are charged by the Company on a monthly basis and are used to offset the costs of developing new studio workout content. The Company charges and recognizes VI fees as revenue each month once a studio has opened.

Dynamix fees – Franchisees are required to pay a fixed Dynamix fee each month. The fees are charged by the Company on a monthly basis and are for the Dynamix program and was launched mid-year in 2023.

Marq fees – Franchisees are required to pay a marq fee each month. The marq fees are collected by the Company on a monthly basis and are used for brand management, content design and templating platform. The Company charges and recognizes marq fees as revenue each month as gross sales occur.

Transfer fees – Transfer fees are paid to the Company when one franchisee transfers a location to a different franchisee. Transfer fees are recognized as revenue on a straight-line basis over the term of the new or assumed franchise agreement.

Secret Shopper fees – The Company performs secret inspections of franchisee stores. The fees are collected from the franchisee in the month after the inspection.

Computer-Aided Design (“CAD”) fees – Franchisees are required to pay a CAD fee for the layout of the saunas in the studio. An additional CAD fee is charged for any additional designs provided to the franchisee by the Company.

Deferred Commission Expense

The Company has recorded deferred commission expense in connection with the sale of franchise locations. Following the guidance in ASC 606, the Company capitalized these commissions and amortizes the commissions over the contract period, generally 10 years. In the event of an early termination of an agreement, any unamortized deferred commissions associated with the franchise location are charged to commissions expense in the period of termination.

Deferred commission amortization recognized for the years ended December 31, 2023, 2022 and 2021 were \$775,221, \$565,277 and \$263,064, respectively.

	<u>As of December 31,</u>	
	<u>2023</u>	<u>2022</u>
<u>Deferred Commissions at beginning of period</u>	<u>4,941,716</u>	<u>3,521,383</u>
<u>Additions</u>	<u>2,115,402</u>	<u>1,985,610</u>
<u>Amortization</u>	<u>(775,221)</u>	<u>(565,277)</u>
<u>Deferred Commissions at end of period</u>	<u>6,281,897</u>	<u>4,941,716</u>

Deferred Franchise Fees

Deferred franchise fees relate to up-front franchise fees billed at or around the initial execution of a franchise agreement. The terms of the contract require the franchise licensee to pay an up-front fee at contract inception. The non-refundable up-front fees are typically billed in advance of services provided and are recorded as a contract liability on the consolidated balance sheets. These fees are amortized ratably over the term of the agreement and recognized as revenue.

Deferred franchise fees for the years ended December 31, 2023 and 2022 were \$15,798,923 and \$13,983,876, respectively.

	<u>As of December 31,</u>	
	<u>2023</u>	<u>2022</u>
<u>Deferred Franchise Fees at beginning of period</u>	<u>13,983,876</u>	<u>11,865,539</u>
<u>Additions</u>	<u>4,404,425</u>	<u>4,473,249</u>
<u>Franchise Fee Revenue</u>	<u>(2,589,378)</u>	<u>(2,354,912)</u>
<u>Deferred Franchise Fees at end of period</u>	<u>15,798,923</u>	<u>13,983,876</u>
<u>Current Portion of Deferred Franchise Fees</u>	<u>1,303,090</u>	<u>1,073,906</u>
<u>Long-Term Portion of Deferred Franchise Fees</u>	<u>14,495,833</u>	<u>12,909,970</u>

Of the \$15,798,923 of deferred franchise fees at December 31, 2023, amounts will recognized as follows:

	<u>Deferred Franchise Fees</u>
<u>2024</u>	<u>1,303,090</u>
<u>2025</u>	<u>1,303,090</u>
<u>2026</u>	<u>1,291,766</u>
<u>2027</u>	<u>1,242,993</u>
<u>2028</u>	<u>1,145,561</u>
<u>Thereafter</u>	<u>9,512,422</u>
<u>Total Deferred Franchise Fees</u>	<u>15,798,923</u>

Income Taxes

On the date of formation, the Company elected to be treated as a partnership for federal and state income tax purposes, and thus no federal or state income tax expense has been recorded in these financial statements. Accordingly, the income and loss of the Company is passed through to its members and taxed depending on HOTWORX® Franchising, LLC Franchise Disclosure Document 7/19/2024 Reg and Non-Reg states except Maryland

their personal tax situation.

The Company evaluates all significant tax positions. As of December 31, 2023 and 2022, the Company does not believe that it has taken any positions that would require the recording of any tax liability, nor does it believe that there are any unrealized tax benefits that would either increase or decrease within the next year.

The Company is no longer subject to federal and state income tax examinations by tax authorities for the years prior to 2020. Planet Beach Franchising Corporation received an examination letter in February 2024 from the Internal Revenue Service (the “IRS”) with respect to Planet Beach Franchising Corporation for the tax returns filed for the tax year 2020. By virtue of the Planet Beach Franchising Corporations consolidated income tax returns, the Company is currently under this IRS audit for the 2020 tax year. Any interest and penalties assessed by income taxing authorities are not readily determinable at this time.

Advertising and Marketing

The Company expenses advertising and marketing costs as incurred. Advertising and marketing expense for the years ended December 31, 2023, 2022 and 2021 were \$1,384,987, \$1,142,828 and \$1,333,154 respectively.

Leases

Effective January 1, 2019, the Company adopted ASC 842, *Leases* (“ASC 842”). This guidance requires that right-of-use assets and lease liabilities be recorded on the balance sheet. The Company elected the practical expedient relief package allowed by the new standard, which does not require the reassessment of whether existing contracts contain a lease, the lease classification or unamortized initial direct costs for existing leases. Additionally, the Company made accounting policy elections for the exclusion of short-term leases (leases with an initial term of 12 months or less and which do not include a purchase option that the Company is reasonably certain to exercise) from the balance sheet presentation.

Note 3 – Variable Interest Entity

In 2018, the Company, along with four other investors, formed HWX Chicago, LLC located in the urban area of Chicago, Illinois. The Company holds a 31% ownership and voting interest in this entity. HWX Chicago’s operating agreement may require its members to make additional contributions when HWX Chicago has working capital requirements. If a member is unable to make an additional capital contribution, the other members will be required to make contributions to offset the amount that member cannot contribute. The Company provides substantially all of the working capital to fund operations in the form of affiliate transfers and a capital loan. It was determined that the Company holds current and potential rights that give it the power to direct activities of HWX Chicago that most significantly impact HWX Chicago’s economic performance, receive significant benefits, or the obligation to absorb potentially significant losses, resulting in the Company having a controlling financial interest in HWX Chicago. As a result, the Company was deemed to be the primary beneficiary of HWX Chicago and has consolidated HWX Chicago under the risk and reward model of ASC 810.

Assets recognized as a result of consolidating HWX Chicago do not represent additional assets that could be used to satisfy claims against the Company’s general assets. Conversely, liabilities recognized as a result of consolidating HWX Chicago do not represent additional claims of the Company’s general assets; they represent claims against the specific assets of HWX Chicago.

The following table reflects the balances related to the VIE that are consolidated and included on the consolidated balance sheet as well as the Company's net interest in the VIE:

	As of December 31,	
	2023	2022
Current Assets:		
Cash and Cash Equivalents	1,638	5,466
Other Current Assets	3,821	3,821
Total Current Assets	5,459	9,287
Property and Equipment, Net	37,885	51,202
Lease Right-of-use Assets	75,068	103,186
Total Assets	118,412	163,675
Current Liabilities:		
Accounts Payable	-	614
Due to Affiliates (HOTWORX Franchising, LLC)	137,100	95,900
Accrued Expenses	5,699	2,015
Lease Right-of-use Liabilities	41,501	38,597
Total Current Liabilities	184,300	137,126
Long-Term Liabilities:		
Lease Right-of-use Liabilities, net of current portion	76,299	121,356
Total Liabilities	260,599	258,482
Non-Controlling Interests' of Consolidated Subsidiaries	(42,633)	(22,361)
Members' Deficit	(99,554)	(72,446)
Total Liabilities and Members' Deficit	118,412	163,675

Note 4 – Property and Equipment

Property and Equipment consist of the following:

	As of December 31,	
	2023	2022
-	-	-
-	-	-
<u>Leasehold Improvements</u>	98,248	98,248
<u>Furniture and Fixtures</u>	36,106	33,210
<u>Building</u>	2,558,138	565,512
Total	2,692,492	696,970
<u>Less: Accumulated Depreciation</u>	(188,280)	(132,273)
Total Property and Equipment	2,504,212	564,697

Note 5 – Fair Value Disclosures

The following tables present the Company's fair value hierarchy for investments measured at fair value on a recurring basis:

HOTWORX® Franchising, LLC
Franchise Disclosure Document 7/19/2024
Reg and Non-Reg states except Maryland

<u>Fair Value as of December 31, 2023</u>			
	<u>Quoted Market Prices in Active Markets</u>	<u>Other Observable Inputs</u>	<u>Unobservable Inputs</u>
	<u>(Level 1)</u>	<u>(Level 2)</u>	<u>(Level 3)</u>
<u>Equity Securities</u>	<u>2,302,672</u>	<u>-</u>	<u>271,032</u>
<u>Debt Securities</u>	<u>-</u>	<u>51,631</u>	<u>-</u>
<u>Total</u>	<u>2,302,672</u>	<u>51,631</u>	<u>271,032</u>

<u>Fair Value as of December 31, 2022</u>			
	<u>Quoted Market Prices in Active Markets</u>	<u>Other Observable Inputs</u>	<u>Unobservable Inputs</u>
	<u>(Level 1)</u>	<u>(Level 2)</u>	<u>(Level 3)</u>
<u>Equity Securities</u>	<u>979,164</u>	<u>-</u>	<u>-</u>

The fair value measurement accounting literature provides a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy consists of three broad levels.

Financial assets valued using Level 1 inputs are based on unadjusted quoted market prices within active markets. Financial assets valued using Level 2 inputs are based primarily on quoted prices for similar assets in active or inactive markets, and Level 3 inputs are based primarily on management's assumptions about the assumptions market participants would utilize in pricing the asset. Valuation techniques utilized to determine fair value are consistently applied.

The Company uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments. The asset's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. When available, valuation techniques maximize the use of observable inputs and minimize the use of unobservable inputs.

The Company's investment in equity securities consists of stock and mutual funds that are traded in an active market and valued using Level 1 inputs. The bond's fair value is determined using Level 2 inputs. The Company also holds equity securities in alternative investments which are valued using primarily Level 3 inputs by the respective funds. All investments in equity securities are accounted for at fair value with subsequent changes in fair value recorded on the Consolidated Statement of Operations and Changes in Members' Deficit.

Note 6 – Affiliate Transactions

The Company operates directly with a number of affiliates. The Company advances and receives money to and from affiliates under common ownership for the purpose of funding the operations of those entities or purchasing equipment or other related studio products.

Planet Beach Franchising Corporation (“PBFC”)

PBFC is the minority owner of HOTWORX Franchising, LLC and provides all employees services for HOTWORX Franchising, LLC, which is reimbursed to PBFC on a monthly basis. From time to time, the Company provides working capital transfers to PBFC.

HWX, LLC (“HWX”)

The Company provides working capital transfers to / from HWX or may provide expense reimbursements for shared operating expenses.

The Company may also make working capital transfers with HOTWORX International, Sol Spa Franchising, LLC, HOT TECH, LLC and Diet Trax.

The Company had the following due to and from affiliate balances at December 31, 2023 and 2022:

	<u>As of December 31,</u>	
	<u>2023</u>	<u>2022</u>
<u>Due from / (to):</u>		
<u>Planet Beach Franchising Corporation</u>	<u>3,616,999</u>	<u>1,015,962</u>
<u>HWX, LLC</u>	<u>1,129,439</u>	<u>974,592</u>
<u>HOT TECH, LLC</u>	<u>14,849</u>	<u>-</u>
<u>Sol Spa Franchising, LLC</u>	<u>19,615</u>	<u>5,275</u>
<u>HOTWORX International, LLC</u>	<u>1,219</u>	<u>33,715</u>
<u>Total Due From Affiliates</u>	<u>4,782,121</u>	<u>2,029,544</u>
<u>Diet Trax</u>	<u>(19,065)</u>	<u>(9,065)</u>
<u>Total Due To Affiliates</u>	<u>(19,065)</u>	<u>(9,065)</u>

During the year ended December 31, 2023, the Company entered into a note payable to HWX, LLC payable in monthly installments beginning in June 2024 and bearing an interest rate of 0%. The note payable to affiliate had a balance at December 31, 2023 and 2022, as follows:

	<u>As of December 31,</u>	
	<u>2023</u>	<u>2022</u>
<u>Notes Payable to Affiliate</u>		
<u>HWX, LLC</u>	<u>(750,000)</u>	<u>-</u>
<u>Total Notes Payable to Affiliate</u>	<u>(750,000)</u>	<u>-</u>
<u>Less: Current portion</u>	<u>(700,000)</u>	<u>-</u>
<u>Total Long-Term Notes Payable to Affiliate</u>	<u>(50,000)</u>	<u>-</u>

All employees are employed by PBFC and the Company reimburses PBFC for direct and allocated HOTWORX® Franchising, LLC Franchise Disclosure Document 7/19/2024 Reg and Non-Reg states except Maryland

payroll costs. There are no other intercompany charges for services. For the years ended December 31, 2023, the Company reimbursed PBFC for payroll and related expenses for \$3,217,351, \$2,838,507 and \$2,878,173 for the years ended December 31, 2023, 2022 and 2021 respectively.

Note 7 – Leases

On January 18, 2019, HWX Chicago entered into a seven and one-half year lease with third parties for the location of its HOTWORX studio in an urban area of Chicago. The lease has an option to renew for five years, but management is not reasonably certain to exercise the lease renewal. Management elected to use the 2.7% risk-free rate for a seven-year security as of the lease start date to determine the incremental borrowing rate. Lease costs are included within operating expenses on the consolidated statements of operations and member’s deficit.

Total components of lease costs were as follows:

	<u>Year ended December 31,</u>		
	<u>2023</u>	<u>2022</u>	<u>2021</u>
-	-	-	-
<u>Operating Lease Cost</u>	<u>31,814</u>	<u>31,814</u>	<u>31,814</u>
<u>Variable Lease Cost</u>	<u>35,680</u>	<u>36,391</u>	<u>45,287</u>
<u>Total Lease Cost</u>	<u>67,494</u>	<u>68,205</u>	<u>77,101</u>

Supplemental consolidated cash flow information related to leases is as follows:

	<u>Year ended December 31,</u>		
	<u>2023</u>	<u>2022</u>	<u>2021</u>
-	-	-	-
-	-	-	-
<u>Cash paid for amounts included in the measurement of lease liabilities:</u>			
<u>Operating cash flows for operating leases</u>	<u>45,850</u>	<u>45,850</u>	<u>45,850</u>

The weighted average lease term remaining is two and one-half years and three and one-half years as of December 31, 2023 and 2022, respectively.

The total remaining lease payments as of December 31, 2023 were as follows:

	<u>Operating Lease</u>
<u>2024</u>	<u>47,990</u>
<u>2025</u>	<u>49,518</u>
<u>2026</u>	<u>24,759</u>
<u>Total Lease Payments</u>	<u>122,267</u>
<u>Less: Imputed Interest</u>	<u>4,467</u>
<u>Total Lease Liabilities</u>	<u>117,800</u>

Note 8 – Note Payable

In June 2023, the Company entered into a Liquidity Access Line of Credit (the “LOC”) with Morgan Stanley (the “Lendor”) using investment securities as collateral. The LOC can be called due at any time at the Lendor’s discretion; as a result, the LOC is classified as short term on the Company’s balance sheet. The LOC bears interest at a variable rate and for the year ended

December 31, 2023, the loan had an effective interest rate of 7.65%. As of December 31, 2023, the Company had \$429,022 extended on the LOC with \$3,146 of accrued interest, which is included in accrued expenses on the Company's balance sheet at December 31, 2023. At December 31, 2023, the LOC had \$1,140,636 of available borrowing. The LOC has a restrictive covenant that precludes the use of the proceeds to fund the purchase of certain investments.

Insurance Financing Agreements

The Company entered into a short-term insurance financing agreement in July 2023 in the amount of \$45,729 with a finance company to finance certain insurance policies. The note is payable in 11 monthly installments of \$4,394, effective interest rate of 11.21%. As of December 31, 2023, the outstanding balance of the note is \$25,535.

The Company entered into a short-term insurance financing agreement in December 2022 in the amount of \$148,277 with a finance company to finance certain insurance policies. The note is payable in eight monthly installments of \$19,526, with an effective interest rate of 14.03%. As of December 31, 2022, the outstanding balance of the note is \$148,277, all of which was repaid in the year ended December 31, 2023.

The Company entered into a short-term insurance financing agreement in July 2022 in the amount of \$41,542 with a finance company to finance certain insurance policies. The note is payable in 11 monthly installments of \$3,935, effective interest rate of 8.31%. As of December 31, 2022, the outstanding balance of the note is \$23,060, all of which was repaid in the year ended December 31, 2023.

Note 9 – Litigation

The Company is subject to various claims arising in the normal course of its business. While the resolution of such issues is not presently determinable with certainty, the Company is insured for such claims. Management believes that the ultimate resolution of any such matters will not have a significant effect on the Company's financial position or results of operations.

As of December 31, 2023 and 2022, the Company had a \$72,150 and \$0 accrued liability related to a contingency for pending litigation.

Note 10 – Members' Deficit

The Company has one series of limited partnership interests, referred to as Ownership Interests. According to the terms of the Operating Agreement, the Members may determine, as they agree by majority vote, from time to time whether to issue distributions based on available funds. These distributions to the Members are for income taxes and other purposes. The Company expects to continue to pay distributions in the future for member income taxes and other purposes. Although the future amounts have not been determined, these distributions could be material to the financial statements.

The Company distributed \$258,000, \$326,400 and \$623,000, respectively, to the shareholders in the years ended December 31, 2023, 2022 and 2021.

Note 11 – Franchisee-Owned and Corporate-Owned Stores

The following table shows changes in franchisee-owned and corporate-owned stores for the years ended December 31, 2023 and 2022:

	<u>As of December 31,</u>	
	<u>2023</u>	<u>2022</u>
<u>Franchisee-owned stores:</u>		
<u>Stores operated at beginning of period</u>	<u>405</u>	<u>233</u>
<u>New stores opened</u>	<u>173</u>	<u>172</u>
<u>Stores operated at end of period</u>	<u>578</u>	<u>405</u>
<u>Corporate-owned stores:</u>		
<u>Stores operated at beginning of period</u>	<u>4</u>	<u>3</u>
<u>New stores opened</u>	<u>0</u>	<u>1</u>
<u>Stores operated at end of period</u>	<u>4</u>	<u>4</u>
<u>Total stores:</u>		
<u>Stores operated at beginning of period</u>	<u>409</u>	<u>236</u>
<u>New stores opened</u>	<u>173</u>	<u>173</u>
<u>Stores operated at end of period</u>	<u>582</u>	<u>409</u>

There were no corporate-owned stores sold during the years ended December 31, 2023 and 2022.

Note 12 – Subsequent Events

The Company evaluated subsequent events and transactions for potential recognition or disclosure in the financial statements through July 19, 2024, the date which the financial statements were available to be issued.

The Company is a franchisor operating in certain jurisdictions that require an annually updated Franchise Disclosure Document (“FDD”). The FDD is a legal document and prospectus required by the Federal Trade Commission that must be renewed annually within 120 days from the end of the Company's prior fiscal year. The FDD must include itemized disclosures and three years of audited financial statements, and because of the delay in the completion of the Company's audited financial statements, the Company missed its 2024 renewal deadlines. Therefore, it had to temporarily pause its franchise sales operations. Accordingly, the Company is unable to enter into new franchise agreements for the period beginning on the missed renewal deadline and ending 14 days after the new FDD is issued in non-registration states and until approved in registration states without applicable exemptions. The Company is expecting to file its FDD concurrently with the issuance of these financial statements.

EXHIBIT F

**HOTWORX® FRANCHISING, LLC
FRANCHISE DISCLOSURE DOCUMENT
SINGLE UNIT FRANCHISE AGREEMENT**

[PAGE INTENTIONALLY LEFT BLANK.
SINGLE UNIT FRANCHISE AGREEMENT TO FOLLOW]

**HOTWORX® FRANCHISING, LLC
FRANCHISE AGREEMENT DATA SHEET**

1.Name of Franchisee: _____ SS No. _____

Spouse (if not franchisee): _____ SS No. _____

Spouse email address: _____

2.Name of Franchisee: _____ SS No. _____

Spouse (if not franchisee): _____ SS No. _____

Spouse email address: _____

3.Name of Franchisee: _____ SS No. _____

Spouse (if not franchisee): _____ SS No. _____

Spouse email address: _____

4.Franchisee's Address: _____

5.Licensing Agent: _____

6.Franchisee's Territory: _____

7.Franchisee's Telephone Number: _____

8.Franchisee's Cell Number: _____

9.Franchisee's Email Address: _____

10.Initial Franchise Fee: _____

11.Amount Paid: _____

12.Effective Date: _____

13.Driver's License Number: _____

Agreement Exceptions:

The information contained in the Data Sheet is incorporated by references into the HOTWORX® Franchising, LLC Single Unit Franchise Agreement.

HOTWORX® Franchising, LLC
SINGLE UNIT FRANCHISE AGREEMENT

TABLE OF CONTENTS

1.	FRANCHISE GRANT	3
2.	LOCATION AND SITE DEVELOPMENT	4
3.	TERRITORY	4
4.	TERM AND RENEWAL	6
5.	CONFIDENTIAL OPERATIONAL SYSTEMS CHECKLIST.....	7
6.	CONSTRUCTION OF STUDIO	7
7.	TRAINING	8
8.	OPENING	9
9.	YOUR OBLIGATIONS	9
10.	INITIAL AND CONTINUING FEES	12
11.	PROPRIETARY MARKS AND COPYRIGHTS	14
12.	CONFIDENTIAL INFORMATION	16
13.	MARKETING	16
14.	INSURANCE	17
15.	BOOKS, RECORDS AND REPORTS	18
16.	ACCOUNTING	18
17.	INSPECTIONS	18
18.	COVENANTS	19
19.	INDEPENDENT CONTRACTOR; INDEMNIFICATION	19
20.	NOTICES.....	20
21.	SALE OR ASSIGNMENT	20
22.	CHANGES AND MODIFICATIONS	22
23.	TERMINATION	22
24.	YOUR OBLIGATIONS UPON TERMINATION	24
25.	CHOICE OF LAW; DISPUTE RESOLUTION	2627
26.	CONSTRUCTION	2829
27.	PERSONAL GUARANTY OF SHAREHOLDERS, PARTNERS, MEMBERS ..	2930
28.	REPRESENTATIONS AND ACKNOWLEDGMENTS	3030

Exhibits to HOTWORX® Franchising, LLC's Single Unit Franchise Agreement

- Exhibit 1 — Schedule of Authorized and Approved Products and Services
- Exhibit 2 — Approved Location and Territory Addendum
- Exhibit 3 — Guaranty Agreement and Acknowledgment by Guarantor
- Exhibit 4 — Rider to Lease
- Exhibit 5 — Software License Agreement
- Exhibit 6 — Confidentiality and Non-Competition Agreement
- Exhibit 7 — Conditional Assignment of Franchisee’s Telephone Numbers, Email Addresses, Social Media and Other URLs
- Exhibit 8 — Statement of Prospective Franchisee

HOTWORX® FRANCHISING
SINGLE UNIT FRANCHISE AGREEMENT

THIS FRANCHISE AGREEMENT (the "Agreement") is made as of the Effective Date set forth on the Data Sheet of this Agreement between HOTWORX® Franchising, LLC, a Wyoming limited liability company with an address at 5161 Taravella Road, Marrero, Louisiana 70072 ("HOTWORX®" or "Franchisor"), and the Franchisee identified in the Data Sheet ("Franchisee" or "You"). The information contained in the Data Sheet is incorporated into this Agreement.

BACKGROUND

- A. Through the expenditure of money, time and effort, Franchisor has developed a distinct and proprietary business format for the development and operation of studios (the "System"), the distinguishing characteristics of which include proprietary development and operating procedures and standards and specifications for products and services, as amended from time to time in Franchisor's sole discretion.
- B. The System is identified by proprietary trademarks, service marks, trade dress, logos and other indicia of origin including, without limitation, the trade name and service mark "HOTWORX®" (the "Proprietary Marks").
- C. Franchisor offers franchises to qualified individuals for the right to use the System and Proprietary Marks at a single approved location (the "Studio").
- D. You have applied to Franchisor for the right to operate a Studio pursuant to the terms of this Agreement, and Franchisor has approved your application in reliance upon all of the representations made in your application, including those concerning your financial resources, your business experience and interests, and the manner in which the franchise will be owned and operated.
- E. You acknowledge that you have read this Agreement and Franchisor's Franchise Disclosure Document and that you have been given an opportunity to obtain clarification of any provision that you did not understand. You also understand and agree that the terms and conditions in this Agreement are necessary to maintain Franchisor's and its affiliates' high standards of quality and service and the uniformity of those standards at all HOTWORX® studio locations. Franchisor's affiliates include but are not limited to Planet Beach Franchising Corporation, SOL SPA Franchising, LLC, HOT Brands, LLC, HOT TECH, LLC, and HWX, LLC (hereinafter "Affiliates").

AGREEMENT

NOW THEREFORE, in consideration of the mutual covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties to the Agreement, intending to be legally bound, mutually agree as follows:

1. FRANCHISE GRANT

Franchisor grants to you, and you hereby accept, a non-exclusive franchise license to establish and operate one HOTWORX® studio (~~traditional or express~~) pursuant to the terms of this Agreement within a geographic area mutually agreed to by the parties. This Agreement does not give you the right to establish additional studios.

2. LOCATION AND SITE DEVELOPMENT

- 2.1 Approved Location. Once you have completed site selection as set forth in Section 2.2 below, you shall operate your Studio only from the Approved Location identified in the Approved Location and Territory Addendum, attached as Exhibit 2 of the Agreement. A map will be attached to the Approved Location and Territory Addendum, which will become part of Exhibit 2 and this Agreement upon signing of a location lease.
- 2.2 Site Selection. Your Approved Location will be accomplished through the site selection process and in accordance with Franchisor's Location Selection Policy. You must obtain a site for the Studio within 120 days from the Effective Date set forth on the Data Sheet ("Site Selection Period") either by (i) entering into a lease or sublease with the owner of a site or the prime tenant having possession of a site which is mutually acceptable to you and Franchisor; or (ii) purchasing real estate which is mutually acceptable to you and Franchisor. In the event that Franchisee purchases or owns real estate, Franchisee must also enter into a lease for the Approved Location that is mutually acceptable to you and Franchisor.
- 2.3 Lease. You must submit a copy of your proposed lease for Franchisor's approval prior to execution. You must deliver an executed copy of the lease to Franchisor within fifteen (15) days after the execution of the lease. Franchisor's acceptance of the lease terms does not constitute an expression of Franchisor's opinion regarding the terms of the lease or the viability of the location.
- 2.4 Relocation. Franchisor will permit you to relocate your Studio to a new approved location within the Protected Territory as defined in Section 3.1 of this Agreement, at your expense, if you lose the right to possess the premises through no fault of your own or if the Studio is destroyed by vandalism, fire or act of God. Franchisor will approve the new site if it meets Franchisor's site selection criteria. You have no right to relocate the Studio without Franchisor's prior written consent.

3. TERRITORY

- 3.1 Territory. We grant a franchise based on our expectation that you will continuously and diligently follow all System requirements. Subject to the exclusions below, Franchisor grants to you the right to establish and carry on a business within a protected territory that consists of a radius or boundary surrounding your studio's Approved Location (the "Protected Territory"). Your Protected Territory generally will be a circle, the center of which will be your Approved Location as identified by your signed lease. The actual size and dimensions of your Protected Territory may be less than stated below and will depend upon the specific variables of your Studio site, including population density, ~~number of HOTWORX® saunas initially installed~~, marketing and development trends, traffic flow and natural and man-made boundaries. A map plotting the Protected Territory will be attached to the Approved Location and Territory Addendum and made part of this Agreement as Exhibit 2 upon execution of a lease for your Studio location.

If a radius is used to determine your Protected Territory, then the radius of the circle will be based on where the Approved Location is located ~~and the number of HOTWORX® saunas installed~~ and will be either:

1. A radius ranging from one third of a mile (.3 miles) up to one and nine tenths of a mile (1.9 miles) if your Studio is located in a densely populated area which may include suburbs;

or

2. A two-mile (2.0 miles) radius if your Studio is located in any other area.

Your Protected Territory shall exclude: (i) any area that is across a state line, river, navigable waterway, interstate, highway or other natural or man-made boundary; and (ii) regional shopping malls, professional or collegiate athletic facilities, residences, resorts and airports. The final determination of the radius of Your Protected Territory will be decided by the Franchisor in its sole discretion.

- 3.2 Modification of Protected Territory. During the term of this Agreement, so long as you are in compliance with the terms and conditions of this Agreement, Franchisor will not establish or locate, or grant any third party the right to establish or locate, another HOTWORX® studio franchise location using the System and Proprietary Marks within the Protected Territory identified, excluding residential HOTWORX® saunas, as identified in Exhibit 2 to this Agreement except as set forth in Sections 3.3, 3.4 and 3.5 below. If you are in breach of this Agreement, or are otherwise in default, Franchisor may reduce, eliminate or otherwise modify your rights in the Protected Territory or any right of first refusal under the then-applicable policy regarding site selection. Franchisor does not make any representation or assurance that you can or will achieve any performance minimums. This Agreement does not grant you any other territorial rights.
- 3.3 Reservation of Rights. Franchisor will not establish (and will not authorize any other party in our system to establish) a HOTWORX studio within your Protected Territory subject to the following exclusions:
- a. Franchisor may conduct any business in a professional or collegiate athletic facilities, residences, resorts or airport in which your Studio is not located;
 - b. Franchisor may use the Proprietary Marks in connection with offering ancillary or dissimilar products and services at any location inside or outside your Protected Territory;
 - c. Franchisor may conduct and transact business with customers, and/or companies operating in your Protected Territory by means of the internet as well as other electronic media that are known now or developed in the future, toll-free telephone numbers, and any other manner we determine;
 - d. Franchisor may engage in any other activities not expressly prohibited by this Agreement; and
 - e. Franchisor's Affiliates may establish, locate, grant, or sell to any third party the right to establish or locate a studio, spa, or other franchise outlet, other than a HOTWORX® studio, within your Protected Territory.
- 3.4 Additional Exclusions. Your grant of a franchise does not include (i) exclusive marketing rights; (ii) any right to offer any product or service via e-commerce; (iii) any right to establish an independent website or to establish a URL incorporating the Proprietary Marks or any variation thereof; or (iv) any right to distribute, market, or implement HOTWORX® studio's products and services in any channel of distribution not specifically identified in this Agreement.
- 3.5 Franchisor reserves the right to sell and distribute its products and equipment within your Protected Territory.

- 3.6 Franchisor accepts no liability for any aftermarket HOTWORX® sauna sales that may occur, therefore you accept the risk that a competing, unauthorized HOTWORX® sauna may compete in an unauthorized location inside or outside of your Protected Territory. Franchisor will make a reasonable effort, upon notice, to require rogue operators to de-brand the sauna and to cease any unauthorized use. In the event Franchisor is unsuccessful in its efforts to have such sauna de-branded, Franchisee agrees to hold Franchisor harmless. Franchisor will not allow unauthorized HOTWORX® sauna owners to have access to any proprietary software including the VI Software, The Burn Off App and DIET TRAX®.

4. TERM AND RENEWAL

- 4.1 Term. The initial term of this franchise shall begin on the Effective Date set forth on the Data Sheet by Franchisor and shall expire at midnight on the tenth anniversary of the Effective Date.
- 4.2 Obligation of Franchisor. In the event that any of the conditions to renewal set forth in the Operational Systems Checklist or below have not been met, Franchisor shall have no obligation to renew this Agreement, it being understood that any such renewal right shall be deemed to have been waived by Franchisee, is void, and is of no force and effect.
- 4.3 Operations Beyond Term. If Franchisee continues to operate as a Franchisee after the term of this Agreement without exercising its option to renew, Franchisee shall be deemed to be operating on a month-to-month basis (terminable by either party on thirty (30) days' written notice) and will be bound by the terms and conditions of [the](#) franchise agreement then being offered to new franchisees, which may have economic and other material terms different from the terms of this Agreement.
- 4.4 Renewal. You have the right to renew this Agreement for perpetual consecutive additional 5-year terms, if you meet the following conditions:
- 4.4.1 You are in compliance with all the terms and conditions of this Agreement at the time of renewal and have substantially complied with the terms of this Agreement and with the operating standards and criteria established by Franchisor throughout the initial term and any renewal term of this Agreement;
 - 4.4.2 You have satisfied all monetary obligations owed to Franchisor and its Affiliates;
 - 4.4.3 You are in compliance with all other agreements between you and Franchisor and/or its Affiliates;
 - 4.4.4 You have provided Franchisor with written notice of your intention to renew the Franchise Agreement at least 90 days but not more than 180 days prior to expiration of the then-current term;
 - 4.4.5 You have the right to remain in possession of the studio-[Approved Location premises](#), or you have secured other premises acceptable to Franchisor for the renewal term;
 - 4.4.6 At Franchisor's request, you effectuate, at your expense, any changes in services, facility, items offered or business system so as to reflect HOTWORX® studio's then-current image including interior and exterior design or offerings of HOTWORX®;

- 4.4.7 You execute Franchisor’s then-current form of franchise agreement, which may vary materially from the terms of this Agreement and may include, without limitation, higher royalty and marketing fees. The renewal franchise agreement, when executed, will supersede this Agreement in all respects; and
- 4.4.8 You sign a general release in the form prescribed by Franchisor, in favor of Franchisor and its Affiliates and their respective officers, directors, agents, [members, successors, insurers, assigns](#) and employees, for all claims arising out of or related to this Agreement or any related agreements with Franchisor or its Affiliates.

5. CONFIDENTIAL OPERATIONAL SYSTEMS CHECKLIST

You must develop your Studio location and operate your Studio in accordance with Franchisor’s confidential operations checklist (the “Operational Systems Checklist”), which contains policies, procedures, standards, specifications and methods of operating a HOTWORX® studio, including but not limited to the Location Selection Policy, pricing policies and sauna safety protocols. Franchisor has the right to amend and supplement the Operational Systems Checklist from time to time in its discretion. You will make, at your sole expense, changes necessary to conform to the Operational Systems Checklist, including, but not limited to, upgrading and remodeling the Studio, including leasehold improvements, furniture, fixtures, equipment, signs, and software. You acknowledge these requirements are necessary and reasonable to preserve the identity, reputation and goodwill Franchisor has developed and the value of the franchise. You agree to make repairs and updates and to pay all reasonable required costs within reasonable time periods that may be established. You will adhere to quality control standards prescribed in the Operational Systems Checklist or elsewhere with respect to the character or quality of the products sold and services performed in association with the Proprietary Marks. The Operational Systems Checklist, as amended from time to time, is intended to further the purposes of this Agreement and is specifically incorporated into this Agreement. The contents of the Operational Systems Checklist are protected by the Copyright law of the United States and may not be disclosed to any person or entity not affiliated with Franchisor and may not be duplicated, copied, reproduced or altered in any way.

6. CONSTRUCTION OF STUDIO

- 6.1 After executing a lease for your Approved Location, you will construct and equip your Studio to the specifications required by Franchisor and then open for business. You will remain responsible for all costs of and connected with design and construction, including, but not limited to construction drawings, architectural and/or engineering drawings, including stamps and seals, fees associated with obtaining building permits, leasehold improvements, equipment, furniture fixtures and signs, and you must bear the cost and responsibility for compliance with state or local ordinances, rules and regulations, including those related to zoning.

You will be required to make annual, minor improvements identified by the Franchisor to your Studio at your sole expense. These expenses will cost a minimum of \$2,500 but no more than \$15,000 and may include redecorating, refurbishment, replacement of signs, fixtures or materials, and upgrading of equipment. The Franchisor may require major improvements to your Studio only after five (5) years of the Effective Date of this Agreement.

7. TRAINING

- 7.1 Initial Training Program. Franchisee(s) and any Manager must attend and complete all required training, including but not limited to one (1) week of onsite training at an approved location, which may be conducted virtually if necessary and approved by Franchisor, prior to 30 days of opening your Studio in order to allow for properly timed pre-sale. Required training programs are outlined in Sections 7.1, 7.2, 7.3, 7.4 and 7.5 below and as more specifically defined in the Operational Systems Checklist. Each of your additional or replacement managers are required to successfully complete all required manager training programs to Franchisor's satisfaction immediately upon hiring. You are solely responsible for full payment of all training-related expenses including, without limitation, travel expenses to and from the training site, lodging accommodations, dining expenses, and salaries for your employees. Franchisor will provide you with a Franchise Performance Coach who will provide assistance using online or video technology in connection with the opening of your studio. Should franchisee request on-site consultation, franchisee agrees to pay all travel-related expenses and a \$200.00 per day consultant fee. In the event that you acquire an existing location pursuant to a sale or transfer, you will be required to undergo training, including but not limited to shadow training and guidance on the transfer process, all of which may be conducted virtually if necessary and approved by Franchisor. In the event of on-site training, you will be responsible for all expenses, including \$200 per day for Franchise Performance Coach plus travel and lodging.
- 7.2 HOTWORX® University Online Franchise and Manager Curriculum. Each Franchisee and their employee(s) must successfully complete all required courses and certifications of HOTWORX® University Online, a web-based training and certification program, according to the training schedule provided to you. Each Franchisee must attend and complete Franchisee and Manager curriculum. Each studio manager must complete Franchisee and Manager curriculum immediately upon hiring. Each Franchisee and manager must attend and complete such school annually.
- 7.3 Training Programs and Seminars. Franchisor has the right, but is not obligated, to provide continuing education training programs or seminars for previously-trained franchisees and managers. Franchisor will require you to attend and successfully complete these programs or seminars. Franchisor also has the right, but is not obligated, to provide on-site training at the expense of the franchisee or require shadow training at an approved studio. You are solely responsible for your and your manager's tuition, if applicable, and all training-related expenses including, without limitation, travel expenses, living and dining accommodations, and salaries.
- 7.4 Secret Shopper/Inspection Report. You are required to pay all fees associated with secret shopper inspections. You are also responsible for attending the periodic review of the Secret Shopper/Inspection report with the Franchise Performance Coach via video technology.
- 7.5 Attendance at Annual Conventions. You must attend all HOTWORX® Annual Conventions unless exigent circumstances exist and you receive Franchisor's prior written approval not to attend yourself. You will also be required to send a studio manager from each of your locations. All costs related to the Annual Convention, including but not limited to, travel expenses, lodging and entertainment shall be your sole responsibility. If you do not request and obtain prior written approval for absence, then Franchisor will automatically draft the convention registration fee for two attendees fourteen (14) days prior to the convention. This will automatically register you and your studio manager(s).

8. OPENING

- 8.1 Opening for Business. You must open the Studio within 275 days of the effective date of this Agreement. If you do not open within 275 days, Franchisor may at its discretion grant an extension. If you cannot open within 275 days due to vandalism, fire, act of God or other circumstances beyond your control, you must request an extension from Franchisor immediately, which extension will not be unreasonably withheld. It is your sole responsibility to ensure that your Studio opens within 275 days of the Effective Date of this Agreement.
- 8.2 Pre-Sale Marketing. During the development of your Studio and through the initial opening of your Studio, you must expend a minimum of \$~~105~~,000 on advertising and marketing within your Protected Territory. After opening, you are required to spend 10% of gross revenue or \$2,000 per month, whichever is greater, on Local Advertising per Section 13.2 below. These sums currently include fees that Franchisor collects on behalf of Marq, \$85 start-up fee and \$15 monthly fee, and SOCI, \$35 monthly fee. Marq and SOCI fees commence following completion of the marketing onboarding call. You shall make such expenditure in accordance with Franchisor's written requirements and specifications. Within 60 days of the Studio's opening, you shall supply Franchisor with written evidence (by means of cancelled checks, paid invoices, copies of advertisements) of the purchase and publication of such opening advertising and marketing. You have the right, but are not required, to spend additional sums with respect to opening marketing so long as such marketing has been approved by the marketing department.
- 8.3 Opening Approval Process. You may not open the Studio for business until you have received written consent from Franchisor. Franchisor may withhold written consent if Franchisee fails to satisfy all pre-opening checklist requirements. You will be required to schedule a live video walkthrough with a Franchisor executive prior to opening the Studio. The walkthrough must include clear visual of the inside and outside including exterior signage in order to determine that the Studio is in compliance with required and authorized trade dress. Franchisor may also request digital photos of the Studio in order to approve and provide written consent for opening Studio.
- 8.4 Initial Inventory. Franchisor requires you to offer and sell as part of your initial inventory all goods that Franchisor has approved.

9. YOUR OBLIGATIONS

- 9.1 Operations. You must operate your Studio in accordance with the Operational Systems Checklist, which contains policies, procedures, standards, specifications and methods of operating a HOTWORX® studio. Policies include but are not limited to:
- 9.1.1 You must comply with HOTWORX® studio's hours of operation policy of 24 hours a day, 7 days a week, every day of the year;
- 9.1.2 HOTWORX® studio's Membership Policy; Reciprocation Policy; pricing policies; etc. You must honor all memberships that are assigned or awarded by the Franchisor, including but not limited to corporate employee memberships, the annual top seven (7) Virtual Instructor memberships, and other memberships that Franchisor reasonably assigns or awards;

- 9.1.3 You are responsible for addressing any and all customer service issues that arise from and/or at Your HOTWORX® Studio. Franchisee's failure to timely resolve customer service issues after receiving notice such that Franchisor finds it necessary to intervene will result in a fine of \$1,000.00 per incident;
- 9.1.4 You are prohibited from retaining or utilizing any third-party collections agency; and
- 9.1.5 You shall refrain from engaging in any marketing, conduct, or communications that, if publicized, may adversely affect the Franchise system, its intellectual property, brand, goodwill and/or Franchisor's interest therein as determined by Franchisor in its sole discretion.
- 9.2 Compliance with Applicable Laws. You shall operate your Studio in strict compliance with all applicable laws, regulations and ordinances including, without limitations, laws and regulations applicable to or affecting health and safety, registering your Studio with the appropriate authority where and when applicable, taxation issues, membership agreements, and employee contracts. You must obtain and maintain all permits, licenses, and registrations required for the lawful operation of your Studio and comply with all health and safety codes. If you are a corporation, partnership or limited liability company, then the name of your entity shall not include any portion of any of the Proprietary Marks, there should be no confusion and there must be complete distinction from HOTWORX® or Franchisor's name or marks; provided, however, you shall register for fictitious name usage in the jurisdiction in which the Studio is located and promptly provide Franchisor a copy of the registration. Franchisor is neither responsible nor liable for researching, knowing, acting on behalf of, and/or advising you and/or anyone on any state, city, county, parish, and/or local laws that will apply to the Studio's operations in that specific area. Franchisor cannot provide you with any advice, legal or otherwise, on local issues. You must provide Franchisor with copies of all permits, licenses and registrations within 30 days of opening your Studio. You must also provide Franchisor with applicable state and local taxes, including but not limited to applicable sales and use taxes, for input into the required POS system. You have a continuing obligation to verify that all applicable taxes are charged.
- 9.3 Authorized Products and Services and Approved Suppliers. You shall not conduct any business or sell any products at the Studio other than the business and products approved by Franchisor. Franchisor has the right to require you to purchase products and/or services from designated or approved suppliers as well as to enter into service agreements with approved vendors. A description of currently authorized products and services is attached as Exhibit 1 to this Agreement (the "Schedule of Authorized and Approved Products and Services"). Franchisor has the right to add, eliminate, modify and substitute any of the Authorized Products and Services or the designated suppliers in its sole discretion. If you wish to offer any product or service that Franchisor has not authorized or to acquire items or services from an unapproved supplier, you must request Franchisor's approval in writing and provide Franchisor all information it may reasonably need to evaluate the proposed product, service or supplier. Franchisor will make a good faith effort to notify you of its approval within 15 days of receiving such information. Franchisor's failure to approve a product, service or supplier within this 15-day period will constitute disapproval of the proposed product, service or supplier. If Franchisor approves your request to offer a new product or service or to acquire items from a new supplier, such approval will be only for the specific product, service or supplier for which approval was granted. Despite the existence of this approval process, Franchisor reserves the right to be the only approved supplier of a product or service. In that situation, you will be required to purchase

the product or service from Franchisor and no one else. The price you will pay for the product or service will be the price then in effect, and Franchisor may make a profit on the sale of the product or service. **YOU MAY NOT INSTALL ANY UNAUTHORIZED EQUIPMENT AT ANY TIME. YOU MAY NOT USE UNAUTHORIZED VIDEOS FOR ANY PURPOSE INSIDE THE STUDIO OR SAUNA AT ANY TIME.**

- 9.4 Required Inventory and Services. Franchisor requires you to offer and sell all services that Franchisor has approved. Franchisor requires you to offer and sell as part of your initial inventory all goods that Franchisor has approved. At Franchisor's discretion, you may be required to continue to offer and sell certain or all goods that Franchisor has approved.
- 9.5 Computer Software and Hardware. You shall purchase and use any and all hardware, including but not limited to the computer itself ("Hardware") and computer software programs ("Software"), which Franchisor designates for use for the System. You must also establish a high-speed internet and network connection prior to the opening of your Studio. The computer must be capable of running the most current Windows, Mac or Chrome operating system. The required computer must be able to run the following software: a web browser, software capable of creating and editing Microsoft Word and Excel documents, a PDF reader, anti-virus, and Java. You are responsible for obtaining and maintaining onsite cabling systems and switches, routers, uninterrupted power supplies, and wireless access points. The POS/studio Management Software is provided to you by a third-party vendor. The monthly fee shall be paid directly to that vendor upon installation of the software for pre-sale. You agree to update or upgrade computer Hardware components and/or Software as Franchisor deems necessary. In addition, Franchisor has the right to require you to enter into a separate maintenance agreement at your sole expense for such computer Hardware and/or Software in the form Franchisor prescribes. You acknowledge and agree that Franchisor may deny you access to the Software if you fail to meet your obligations under this Agreement or the Operational Systems Checklist.
- 9.6 Collection of Data. You shall collect and maintain such data relating to the business as Franchisor may require from time to time, including but not limited to, the names, addresses and purchase history of all customers. You shall provide such data to Franchisor in the form Franchisor specifies. Any such data shall be Franchisor's sole property and shall not be disclosed or distributed to any person or entity for any reason. However, you have a license to use any such data solely for internal marketing and accounting purposes in accordance with all applicable laws and regulations.
- 9.7 Debts and Obligations. You shall promptly pay all the debts and obligations relating to the operation of the Studio and shall not fail to pay any debts to third parties that may result in claims of liability to Franchisor.

FRANCHISOR RESERVES THE RIGHT TO WITHHOLD FROM YOU ANY PRODUCTS, SERVICES, MAINTENANCE, INFORMATION, ADVICE, CONSULTATION AND TRAINING, DIRECT SUPPLIERS NOT TO OFFER SYSTEM DISCOUNTS, DELETE YOUR STUDIO FROM THE HOTWORX® WEBSITE, AND DENY YOU ACCESS TO THE HOTWORX® COMPUTER SYSTEM IF YOU ARE NOT IN COMPLIANCE WITH THE TERMS OF THIS AGREEMENT OR THE OPERATIONAL SYSTEMS CHECKLIST.

10. INITIAL AND CONTINUING FEES

- 10.1 Initial Franchise Fee. In consideration of the rights granted under this Agreement, you have paid to Franchisor an initial franchise fee ("Initial Franchise Fee") in the amount reflected on the Data Sheet. The initial franchise fee is deemed fully earned upon payment and non-refundable.
- 10.2 Royalty Fee. During the term of this Agreement, you will pay Franchisor a monthly Royalty Fee ("Royalty Fee") in an amount of \$595.00. The Royalty Fee will commence the month that begins immediately after the month that your HOTWORX® Studio opens. If Franchisor does not receive payment, you will be charged a penalty fee of \$100.00 per week until royalty payments are made current.
- 10.3 Technology Fee. During the term of this Agreement, a fee may be imposed for additional technology upgrades but not to exceed \$150.00 per month or a lump sum not to exceed \$1,800.00 per year. If monthly or lump sum, the Technology Fee will commence the month following the Effective Date of this Agreement.
- 10.4 POS Software Fee. During the term of this Agreement, you will pay to Franchisor and/or its designated vendor a monthly POS Software Fee of \$129.00. POS Software Fee will commence upon installation of software for pre-sale. Thereafter, payment will be due the 5th of every month for services rendered during the previous month.
- 10.5 Credit Card Processing Fee. You shall pay to Franchisor a 3% credit card processing fee for any payments made by you to Franchisor and/or any purchases made by you from Franchisor.
- 10.6 Payment Procedures. You must make all payments to Franchisor through the AUTODRAFT system. You must provide your bank account information to Franchisor for use by the AUTODRAFT system immediately upon signing this Agreement and provide updated bank account information for your corporate entity to Franchisor within thirty (30) days of signing this Agreement. Unless otherwise stated, all payments are due on the 1st and deemed late on 5th of every month for the preceding month. In the event that any payments are due on a national holiday, payment will be due on the first business day following such holiday. A late fee of \$100.00 will be assessed for each week that payment is delinquent. An insufficient funds fee of \$30.00 will be assessed for any AUTODRAFT payment rejected as a result of insufficient funds. In addition to the late fee and the overdue amount, interest will accrue on such amount from the date it was due until paid at 18% per annum or the maximum rate permitted by state law, whichever is less. Interest will be compounded monthly and shall be in addition to any other remedy Franchisor may have under this Agreement or applicable law.
- 10.7 Convention Fee. During the term of this Agreement, you will pay to Franchisor an annual Convention Fee up to \$790.00. The Convention Fees that are unpaid 14 days prior to convention will be automatically drafted. The Convention Fee includes registration for 2 attendees. It does not include the cost of travel, lodging, food or entertainment.
- 10.8 Virtual Instructor Software Fee. During the term of this Agreement, you will pay the Franchisor a monthly fee of \$20.00 per sauna. The software fee will commence the month that begins immediately after the month that your HOTWORX® Studio opens. Thereafter, payment will be due the 5th of every month for services rendered during the previous month.

- 10.9 DIET TRAX® Fee. During the term of this Agreement, you will pay the Franchisor a monthly fee of \$65.00 per studio location. This DIET TRAX® fee will commence the first month after Franchisee's ~~upon or shortly before opening your~~HOTWORX-Studio ~~opens and once provided access to~~DIET TRAX~~TRAX~~®. Payment will be due the 5th of every month for services rendered the current month.
- 10.10 “SAIL” – Customer Relations Management (CRM) Fee. During the term of this Agreement, you will pay the Franchisor a monthly fee of \$125.00 per studio location. This software fee will commence upon installation of software for pre-sale. Payment will be due the 5th of every month for services rendered the previous month.
- 10.11 Secret Shop Inspections. During the term of this Agreement, you will pay a fee of \$100.00 to \$150.00 per inspection. This fee will be due the month after the inspection occurs.
- 10.12 Site Visit Fee. You will pay a training fee of \$200 per day when You request Franchisor provide additional training. This fee does not include travel expenses for which You are also obligated.
- 10.13 Refunds. All fees are fully earned when they become due and are non-refundable.
- 10.14 Non-Compliance Fees.
- 10.14.1 Real Estate Non-Compliance Fee. Immediately upon notice to Franchisor, Franchisor may impose a \$5,000 fee when Franchisee fails to sign new, current franchise agreement before any lease negotiations for additional HOTWORX® locations or prior to commencing site selection of additional HOTWORX® locations.
- 10.14.2 Accounting Non-Compliance Penalty Fee. On the sixth day of each month, a \$250.00 per day fee may be imposed for when Franchisee fails to timely submit monthly expense report.
- 10.14.3 Insurance Handling Fee. If You fail to obtain the required insurance, Franchisor has the option to obtain insurance coverage for You. In such event, You will be charged a \$250.00 administrative fee. This fee does not include the insurance premiums for which you must also reimburse HOTWORX.
- 10.14.4 Customer Service Non-Compliance Fee. You will be charged up to \$1,000 per incident if you fail to timely resolve customer service disputes after receiving notice of dispute such that Franchisor finds it necessary to intervene.
- 10.14.5 Improper or Unauthorized Use of Trademarks. You may be charged a fee of \$1,000 per incident upon notice from Franchisor if you improperly or without authorization use Franchisor's trademarks.
- 10.14.6 Non-Compliance of Prohibition of Advertising on Daily Deal Sites. You will be charged \$500 per day when You ~~posts~~ promotions on daily deal sites in violation of the terms of this Franchise Agreement. This fee will be assessed until You demonstrate the promotion is completely removed, including from any search engines.
- 10.14.7 Late Payment Fee. You will be charged \$100.00 per week until such time that delinquent fees are paid. Interest of 18% per annum or the maximum rate permitted

by state law, whichever is less, will also be charged.

10.14.8 NSF Fee. You will be charged \$30.00 when there are insufficient funds to make payment, which is made through the Auto-Draft system.

10.14.9 Non-Compliance of Operations Policies. You will be charged a fee of up to \$1,000 per incident upon notice from Franchisor if you violate any HOTWORX policy governing operations of Franchisee's Studio, including but not limited to Marketing and Branding Guidelines, HOTWORX Operations Policies & General Operational Procedures, Price Integrity Policy, Customer Service Oath, Membership Policies, Vending & Rental Policies, In Studio Signage Policy & Guidelines. This per violation fee may be continuously assessed until compliance is confirmed.

10.15 CAD Fee. Before opening your studio, you must pay Franchisor a \$1,200 computer-aided design fee for the layout of the saunas in your studio. To the extent that franchisee requests more than one revision, to the computer-aided design, franchisee will incur a revision fee of \$100 per revision. This fee is deemed fully earned when paid and is non-refundable.

10.16 DYNAMIX Fee. You will be charged a fee of \$99 per month. This software fee will commence during pre-marketing. Payment will be due the 5th of every month for services rendered the previous month.

11. PROPRIETARY MARKS AND COPYRIGHTS

11.1 License. During the term of this Agreement, you are granted a non-exclusive license to use the Proprietary Marks in connection with the operation of your Studio. You shall display the Proprietary Marks only in the manner that Franchisor directs or permits. Your license to use the Proprietary Marks shall automatically cease upon termination or expiration of this Agreement.

11.2 **You are prohibited from selling or reselling any products, equipment or other materials containing any Proprietary Marks and/or any intellectual property of HOTWORX or its affiliates without our express written consent.** HOTWORX, its affiliate or its assignee also have the option, but are not obligated, to purchase any products, equipment or other materials subject to any trademark, patent, trade secret, or other proprietary or confidential information containing any Proprietary Marks and/or any intellectual property of HOTWORX or its Affiliates used in connection with the operation of your Studio by providing you written notice of its election within six (6) months after termination or expiration of this Agreement and paying you the book value, subject to the condition of such products, equipment or other materials. For purposes of this Section, "book value" means the amount you actually paid for the products, equipment or other materials less depreciation (calculated by using the straight-line depreciation method on a 10-year depreciation schedule irrespective of the depreciation method or schedule you use for accounting purposes). Where such option is exercised, Franchisee is responsible for all costs associated with securely disassembling, where applicable, storing and/or shipping or otherwise delivering in good condition and working order such personal property to a site determined by Franchisor.

11.3 Patented Devices and Methods. During the term of this Agreement, Franchisee may receive,

through purchase or otherwise, certain devices or methods subject to patents owned by Franchisor. To the extent that any such devices or methods are subject to registered patents, either by the USPTO, WIPO, or any other such entity, Franchisor expressly grants Franchisee a license to use and/or market said devices or methods only during the term of this Agreement. Should this Agreement be terminated for any reason by either Party, any and all licenses granted to Franchisee by Franchisor or its Affiliates with respect to any patented devices and/or methods are considered revoked at the time of termination.

- 11.4 No Implied License. Franchisee acknowledges that the rights and licenses granted in this Agreement are limited to the scope expressly granted. Accordingly, except for the rights expressly granted under this Agreement, no right, title, or interest of any nature whatsoever is granted whether by implication, estoppel, reliance, or otherwise, by Franchisor to Franchisee. All rights with respect to any know-how, patent or other intellectual property rights that are not specifically granted herein are reserved to the Franchisor.
- 11.5 Ownership. You acknowledge that the Proprietary Marks are valid, [subject to a valid license](#) and are Franchisor's sole property. You will not, nor will you assist any other person to, do anything which would infringe upon, harm or contest HOTWORX® Franchising, LLC's rights in any of the Proprietary Marks.
- 11.6 Goodwill. You acknowledge that all goodwill which may arise from your use of any of the Proprietary Marks is and shall at all times remain Franchisor's sole and exclusive property and shall inure to Franchisor's sole benefit.
- 11.7 Modification. You acknowledge that Franchisor has the right to add, modify, substitute or discontinue use of any of the Proprietary Marks in its sole discretion. You agree to make any additions, deletions and modifications on all interior and exterior signs, packaging materials, printed materials and advertising to your HOTWORX® Studio at your own expense.
- 11.8 Internet Usage. You may not register or use the words "HOTWORX®" in any domain name. You shall not use the Proprietary Marks, or any part thereof, as part of any website domain name without Franchisor's prior written consent. An individual website for your Studio may only be operated and maintained through Franchisor's website.
- 11.9 Infringement. You shall promptly notify Franchisor of any infringement of, or challenge to, the Proprietary Marks and Franchisor shall, in its discretion, take such action, as it deems appropriate. HOTWORX® Franchising, LLC and/or Affiliates will indemnify and hold you harmless from any suits, proceedings, demands, obligations, actions or claims, including costs and reasonable attorneys' fees, for any alleged infringement under federal or state trademark law arising solely from your use of the Proprietary Marks according to this Agreement and Franchisor's other written directives if you have promptly notified Franchisor of such claim. If Franchisor undertakes the defense or prosecution of any litigation pertaining to any of the Proprietary Marks, you must execute any and all documents and do such acts and things as, in the opinion of Franchisor's counsel, are necessary to carry out such defense or prosecution. Trademarks, patents, copyrights and proprietary information are protected under both state and federal law. Any violations may be pursued to the fullest extent of the law.
- 11.10 Franchisee Developments. Franchisor shall own and have the exclusive right to use and incorporate franchisee developments in the HOTWORX® studio Franchise System, for the benefit of other franchisees and Franchisor. You acknowledge that Franchisor owns any modifications, changes and improvements to the System, in whole or in part, developed or

discovered by you or your employees or agents in connection with the System or the operation of your Studio, without any liability or obligation to you. This includes, but is not limited to, discoveries or development of products, systems or techniques, management practices or procedures, architectural designs and philosophies and names or groups of words relating to the System or describing the services offered by HOTWORX® studios.

12. CONFIDENTIAL INFORMATION

You acknowledge and agree that the Operational Systems Checklist, training material, Franchisor's trade secrets, methods and other techniques, which Franchisor provides to you in confidence, are Franchisor's exclusive and confidential property ("Confidential Information"). You agree to use the Confidential Information only for the purposes and in the manner Franchisor authorizes in writing, which use will inure exclusively to Franchisor's benefit. Franchisor's trade secrets consist of, without limitation, sales techniques, merchandising and display techniques, studio layout, advertising formats, accounting systems, operations systems, software, maps, policies, procedures, systems, compilations of information, records, specifications, manuals and other confidential information which Franchisor and its Affiliates have developed for use in the development and operation of studios. You may not contest, directly or indirectly, Franchisor's ownership of its trade secrets, methods or after the term of this Agreement, do anything that might hinder Franchisor's right to register, use or license others to use any such trade secrets, methods and procedures. Your representatives (including your spouses, partners, officers, members, directors, shareholders, as applicable), your employees, and their respective heirs, successors and assigns, are prohibited from using and/or disclosing any Confidential Information in any manner other than as Franchisor permits and must execute [a Confidentiality and Non-Competition Agreement\(s\)](#) in the form attached as Exhibit 6.

13. MARKETING

13.1 General Marketing. You must participate in all corporate-marketing programs and/or campaigns required by Franchisor in writing or contained in the Operational Systems Checklist. This includes but is not limited to posting marketing materials relevant to a specific period of time in the Studio and promoting the same campaigns throughout your social media efforts. You may place or display at your Studio (interior and exterior) only the signs, emblems, lettering, logos and displays and marketing materials as Franchisor approves in writing from time to time. You must submit to Franchisor, at least 10 days prior to your use, samples of all sales promotional and marketing materials you desire to use for approval. Franchisor's failure to approve or disapprove the materials within 10 days of receipt will be deemed disapproval. You may not use any marketing or promotional materials for which Franchisor has not given its prior written approval.

13.2 Local Advertising. After opening your Studio, you will be required to spend 10% of gross revenue or \$2,000 per month whichever is greater. Your required monthly spend will decrease to 5% of your gross revenue once your NET EFT reaches a monthly minimum of \$30,000.00 USD. Should your monthly NET EFT drop below \$30,000.00 USD, the monthly spend will increase to 10% of gross revenue or \$2,000 per month, whichever is greater. You agree to adhere to the Franchisor's system for local advertising. All advertising must be approved by Franchisor. [This advertising spend must include monthly fees for SAIL, DYNAMIX, and approved vendors for marketing/advertising, some of whose fees are collected by Franchisor.](#)

13.3 Territorial Marketing Restriction. You are not permitted to solicit customers and/or market outside your Protected Territory, except through the use of indirect advertising and marketing through such channels as the internet, social media, e-mail, and other electronic

communications. However, **YOU ARE NOT PERMITTED TO PROMOTE YOUR STUDIO OR SERVICES THROUGH “DAILY DEAL” SITES, i.e., Groupon, Living Social, MindBody, GymPass and/or similar sites or other media that offer redeemable vouchers for goods and services. In addition to liability for any damages for which Franchisee is legally liable under the law, Franchisee will be assessed a daily fee of \$500.00 per day when Franchisee posts any promotions on daily deal sites, such as Groupon, Living Social, MindBody, GymPass and/or other similar sites or other media that offer redeemable vouchers for goods and services. This daily fee will be assessed until Franchisee demonstrates that the promotion is completely removed, including from any internet search engines.** While you are generally not permitted to solicit customers and/or market outside your Protected Territory, Franchisor, on limited occasions, may permit you to solicit and/or market outside your Protected Territory upon you may do so upon receipt of Franchisor’s prior written authorization, which Franchisor will not unreasonably withhold. Franchisor may condition its authorization upon your agreement to offer System franchisees who are operating studios in contiguous territories the opportunity to participate in, and share the expense of, such solicitation and/or marketing.

14. INSURANCE

You must obtain and maintain at your sole expense at all times during the term of your Franchise Agreement all such insurance coverage as Franchisor from time to time shall specify, and/or any other insurance coverage required by law. The insurance you are required to obtain and maintain includes but is not limited to comprehensive general liability insurance, complete operations coverage, broad form contractual liability coverage, property liability and professional liability coverage all with current annual limits \$1,000,000 per occurrence and annual aggregate limits of \$3,000,000. You will also need business interruption coverage with annual limits of at least \$300,000. -You will also need both builder’s risk coverage and tenant improvement and betterment coverage each sufficient to cover the cost of build-out and any landlord participation. You will also need to obtain contents coverage with annual limits of ~~\$325,000~~265,000 depending on the number of saunas purchased and size of the studio. Flood contents coverage is highly recommended but not required by Franchisor. -You are also required to have worker’s compensation insurance. Insurance must be written through an approved vendor. You must also purchase any insurance required by law. Before you make a decision to purchase the franchise, you should confirm that insurance is available for a studio of the type you intend to operate, given that you will not staff the premises at all times.

14.1 Other insurance requirements. Each policy shall be written by an insurance company acceptable to Franchisor and shall name Franchisor and its Affiliates, managers, officers, members, directors, agents, attorneys, employees as additional insureds exactly as follows: “HOTWORX® Franchising, LLC and its managers, officers, members, directors, agents, attorneys, employees and Affiliates, 5161 Taravella Road, Marrero, LA 70072.” You shall promptly deliver to Franchisor original certificates evidencing that all insurance required by Franchisor is in full force and effect prior to opening the Studio for business. You shall deliver to Franchisor your initial certificates and renewal certificates each year. All policies must provide that the policy may not be cancelled, terminated, modified or reduced in terms of coverage, without 30 days prior written notice to Franchisor. You must promptly report to Franchisor any claims made against you or against any policy you obtain.

14.2 No coverage exclusions for equipment or services. You may not exclude coverage for any equipment and/or services provided at your Studio.

14.3 No assurances. There is no assurance that minimum insurance requirements will be adequate

to satisfy your needs. It is the Franchisee's responsibility to determine if insurance coverage is adequate.

- 14.4 Insurance Handling Fee. If you fail to obtain or maintain the required insurance, Franchisor has the right, but is not obligated to obtain suitable insurance on your behalf and you will be required to reimburse us the insurance premium paid on your behalf. We also reserve the right to charge an additional \$250.00 administrative fee.

15. BOOKS, RECORDS AND REPORTS

Books and Records. You must use QuickBooks Online. You will be provided with such an account. You must use the QuickBooks Online master chart of accounts feature. You are prohibited from amending or modifying this QuickBooks Online account. You are further required to choose a financial institution that permits any Franchisee bank account to sync directly to QuickBooks Online. Franchisor further requires you to utilize Greenlite/[Cantaloupe](#) and/or Nayax for cashless transactions and online reporting services relating to vending machine transactions. Your records should disclose all transactions relating to or involving the operation of the Studio. You will be required to populate expenses into Studio Central on or before the 5th of each month. A penalty of \$250.00 per day will be assessed through auto draft until Franchisee has complied with requirement to populate expenses. Franchisor shall have access to examine, inspect and copy all such books, accounts, records, memoranda, computer files and systems to review, inspect and poll such data. Financial records and statements must be accurate, on time and maintained in conformity with generally accepted accounting principles or such other accounting method that is acceptable for tax reporting purposes.

16. ACCOUNTING

- 16.1 Application of Payments. Franchisor has the right to apply all payments as it deems appropriate in its discretion, regardless of the purpose for which such payment is designated; provided, however, Franchisor shall not apply payment to any indebtedness that you have identified in writing as a disputed charge.
- 16.2 Interest. You must pay all bills, fees, charges and other obligations to Franchisor in strict accordance with the applicable payment and credit terms. Any amount not paid when due, will bear interest from the due date at the rate of 18% per annum, or the maximum allowed by law, whichever rate shall be less. Interest will be compounded monthly. The payment of such interest or other amounts due shall not be deemed to constitute a waiver of any other rights available to Franchisor.

17. INSPECTIONS

- 17.1 Franchisor or its designee has the right at any time and without prior notice, to conduct a reasonable inspection of the Studio which may include use of the Studio for workouts to ensure quality of the experience. Any such inspection that is necessary beyond [the](#) secret shop program will be at Franchisor's expense, unless Franchisor is required to make any additional inspections in connection with your failure to comply with this Agreement. In such event, Franchisor has the right to charge you for the costs of making the additional inspections, including without limitation travel expenses, room and board and compensation of employees. You must promptly remedy at your sole expense any deficiency found during any inspection.

- 17.2 Annual Compliance Inspections. Annually and on the anniversary of Franchisee's Studio's soft opening, the Franchise Performance Coach will perform a mandatory video inspection to ensure Franchisee's on-going compliance with Franchisor's policies and this Agreement. Should the Franchise Performance Coach determine that your Studio is non-compliant, you will have thirty (30) days to cure as provided for in Section 23.3 below.

18. COVENANTS

- 18.1 During the Term of this Agreement. During the term of this Agreement, neither you nor any of your principals shall, directly or indirectly, through corporations, partnerships, limited liability companies, trusts, associations, joint ventures, or other unincorporated businesses, perform any services for, engage in or acquire, participate or have any financial or other interest in any other business or other entities offering the same or similar services and products offered by HOTWORX® studio locations, provided, however, that this provision shall not apply to the operation of any other HOTWORX® studio franchised business or an Affiliate's franchised business pursuant to a valid franchise agreement with Franchisor.
- 18.2 After the Term of this Agreement. For a period of 2 years following termination or expiration of this Agreement, or the termination of any principal's interest in the Studio, neither you nor any of your principals shall, directly or indirectly, through corporations, partnerships, limited liability companies, trusts, associations, joint ventures, or other unincorporated businesses, perform any services for, engage in or acquire, participate or have any financial or other interest in any other business or other entities offering similar services or products offered by HOTWORX® studio locations within (1) the municipality and parish/county in which your Approved Location(s) and Protected Territory are located; (2) the parishes/counties where other HOTWORX® franchises in Franchisee's state are located on the [Effective date of this Agreement](#) and in the future; and (3) any one of Louisiana's 64 parishes. The aforesaid 2-year period shall be tolled during any period of noncompliance.

19. INDEPENDENT CONTRACTOR; INDEMNIFICATION

- 19.1 Independent Contractor. You are an independent contractor responsible for full control over the internal management and daily operation of your Studio, and neither Franchisor nor you are the agent, principal, partner, employee, employer or joint venture of the other. You must not act or represent yourself, directly or by implication, as an agent, partner, employee or joint venture of Franchisor, nor may you incur any obligation on Franchisor's behalf or in its name. This Agreement does not create a fiduciary relationship between you and Franchisor. Although Franchisor will impose restrictions and specifications related to our Proprietary Marks and our brand, you alone will be responsible for the day-to-day operation of your business, including management of employees, oversight of other employment-related conditions, and safety conditions. Franchisor will not control matters related to labor and employment, and Franchisor cannot advise you about these issues. If you have questions about your legal obligations, you should contact an independent attorney. Prior to opening your studio, you must install and display prominently a sign within your studio that reads: "This HOTWORX® studio is independently owned and operated by, [your company], a franchisee of HOTWORX® Franchising, LLC."
- 19.2 Indemnification. You alone will be responsible for any claim, action, loss, damage, liability, injury or death arising out of or relating to, the development and/or operation of your

HOTWORX® Studio or arising out of, or relating to, your acts or omissions, or the acts or omissions of any of your agents, employees or contractors in connection with the development and/or operation of your Studio. You must defend, indemnify and hold Franchisor and its managers, officers, members, directors, agents, attorneys, employees, successors and its Affiliates harmless from all fines, actions, losses, liabilities, lawsuits, proceedings, including administrative proceedings, claims, damages, exemplary damages, demands, obligations or actions of any kind (including costs, penalties, assessments, and attorneys' fees) arising in whole or in part from training, the construction, development and/or operation of your Studio, or the performance of your obligations under this Agreement that exist upon execution or that may arise in the future, except as otherwise provided in this Agreement.

20. NOTICES

Except for Your monthly financial reporting obligations under the Agreement, all notices, requests and reports to be given under this Agreement by You shall be both by e-mail with a confirming receipt and in writing to Franchisor's address by either prepaid overnight or certified mail return receipt requested. Any required notices by Franchisor under this Agreement will be sent to the address or email address set forth in the Data Sheet (which may be changed by written notice to Franchisor).

21. SALE OR ASSIGNMENT

21.1 Assignment by Franchisor. Franchisor has the right to assign this Agreement and to delegate its obligations under this Agreement in whole or in part in its sole discretion. Franchisor is not obligated to provide you with prior notice of such assignment.

21.2 Assignment by You. Your rights under this Agreement are personal, and you shall not sell, transfer, assign or encumber your interest in the franchised business, including in this Agreement, without our prior written consent. Unless with Franchisor's prior written approval, You are prohibited from changing Your bank account information for auto-draft when the new account information is in the name of a or belongs to a person(s) other than You as Franchisee. Before granting such written approval, Franchisor may require that the person(s) whose name appears on or who owns the new bank account will be added to this Agreement and sign a personal guaranty.

21.3 Conditions for Transfer. Franchisor is not obligated to assist in any marketing efforts related to the transfer of your Studio. Franchisor will not approve any transfer unless the following items have been completed prior to execution of the purchase agreement between you and the buyer:

21.3.1 Franchisor's approval of buyer as a franchisee for the subject studio;

21.3.2 The satisfaction of all monetary and non-monetary obligations under this Agreement and any other agreement between you and Franchisor or its Affiliates, which includes but is not limited to Your obligations under Section 15 above;

21.3.3 Franchisor is provided with a copy of the purchase agreement between you and the buyer as well as a valid location lease and proof of insurance for the operation of the studio;

21.3.4 Your execution (or your principals' execution, as applicable) of a general release, in a form prescribed by Franchisor, of all claims against Franchisor and its officers,

directors, [members, shareholders, successors, managers,](#) agents, employees, and Affiliates. Notwithstanding such release, you shall remain obligated under those provisions of this Agreement that expressly extend beyond the term hereof;

21.3.5 There is no transfer fee when an individual transfers the franchise to his/her corporation or LLC. There is a transfer fee of \$10,000 should You sell or transfer Your location to an existing franchisee. Should You sell or transfer Your location to a third-party entering the franchise system, the transfer fee will be \$19,950.00;

21.3.6 Franchisee's buyer agrees to upgrade the Studio according to then-current HOTWORX system standards;

21.3.7 Franchisee's buyer completes all training required by Franchisor; and

21.3.8 Franchisee's buyer executes a then-current franchise agreement with Franchisor.

21.4 Death or Disability. In the event of your death, disability or incapacitation (or the death, disability or incapacitation of your principals or personal guarantors if you are a partnership, corporation or limited liability company), your legal representative (or your principal's or guarantor's respective legal representative, as applicable) shall have the right to continue the operation of the studio under this Agreement, without payment of a transfer fee, if, within 90 days from the date of death, disability or incapacitation (the "90-day period"):

[21.4.1](#) Such person has obtained Franchisor's prior written approval;

[21.4.2](#) [Such person is added to the existing Franchise Agreement;](#)

[21.4.3](#) [Such person signs a guaranty;](#)

~~21.4.1~~[21.4.4](#) [Such person provides legal documentation demonstrating their rights to act on behalf of the former Franchisee and/or principal\(s\) or personal guarantor\(s\) or, alternatively, provide legal documentation demonstrating their legal and possessory rights and interests in the Franchise Agreement; and](#)

[21.4.5](#) Such person successfully completes Franchisor's required training programs. Such assignment by operation of law will not be deemed a violation of this Agreement, provided such heirs or legatees accept the conditions imposed by this Agreement and the conditions are acceptable to Franchisor.

~~21.4.2~~[21.4.6](#) [In the event that Franchisee's legal representatives fail to undertake the obligations of the Franchise Agreement, including but not limited to operation of the Studio, within 7 days of the Franchisee's death, incapacitation, or disability, Franchisor shall have the right, but not the obligation, to take measures to maintain Studio operations. Further, Franchisor shall be entitled to reimbursement for any sums expended necessary to maintain such Studio operations.](#)

21.5 Right of First Refusal. Franchisor shall have the irrevocable first right and option to purchase your business on the same terms and conditions as any bona fide purchaser who wishes to become a HOTWORX® studio franchisee. You are required to provide Franchisor with any third party offers to purchase your business. Franchisor may exercise this right of first refusal

by notifying you of Franchisor's decision to do so in writing within 30 days after receipt of any third party offers that you provide. Any sale or attempted sale without first giving Franchisor the right of first refusal shall be void and of no force or effect.

21.6 Transfer to a Corporation or Limited Liability Company. Within 30 days of executing this Agreement, ~~You have the right to~~shall assign your rights under this Agreement to a corporation or limited liability company provided:

21.6.1 The entity is newly organized and its activities are exclusively confined to operating only the single-unit HOTWORX® Studio franchise governed by this Agreement;

21.6.2 You must, and at all times, remain the owner of 51% of the outstanding shares of the corporation or a controlling interest in the limited liability company;

21.6.3 The new entity delivers to Franchisor a written assumption of your obligations under this Agreement, the legal documentation evidencing organization and registration of the corporate entity and bank account information for required payment procedures;

21.6.4 All shareholders, members and/or managers of the new entity sign Franchisor's Guaranty Agreement; and

21.6.5 The entity must adhere to the requirements set forth in this Agreement relating to management of the Studio.

21.7 Transfer of Designated Marketing Area. In the event that You elect to transfer Your license from one DMA to another DMA and Franchisor approves said transfer, then a \$5,000 transfer fee will be assessed.

22. CHANGES AND MODIFICATIONS

Franchisor reserves and shall have the sole right to make changes in the Operational Systems Checklist, the System, policies and procedures, and the Proprietary Marks at any time and without prior notice to Franchisee. Franchisee understands and agrees that due to changes in competitive circumstances, presently unforeseen changes in the needs of customers, and/or presently unforeseen technological innovations, the System must not remain static in order to best serve the interest of Franchisor, Franchisees, and the System. Accordingly, Franchisee expressly understands and agrees that Franchisor may from time to time change the components of the System, including but not limited to, altering the programs, services, methods, standards, forms, policies and procedures of the Operational Systems Checklist or System; adding to, deleting from or modifying those programs, products and services which the Franchised Business is authorized to offer; and changing, improving or modifying the Proprietary Marks. Subject to other provisions of this Agreement, Franchisee expressly agrees to abide by any such modifications, changes, additions, deletions and alterations at its sole expense.

23. TERMINATION

23.1 Automatic Termination. This Agreement will automatically terminate, without notice and without an opportunity to cure, if:

23.1.1 You make an assignment for the benefit of creditors, file a voluntary petition in

bankruptcy, are adjudicated as bankrupt or insolvent, file or acquiesce in the filing of a petition seeking reorganization or arrangement under any federal or state bankruptcy or insolvency law, or consent to or acquiesce in the appointment of a trustee or receiver for you or for the Studio; or

23.1.2 You purport to sell, transfer or assign your rights under this Agreement, including the sale of the franchise assets, without HOTWORX's consent, in violation of Section 21.

23.2 Termination with Notice and Without Opportunity to Cure. Franchisor has the right to terminate this Agreement, which termination shall become effective upon delivery of notice of termination, without providing you an opportunity to cure, if:

23.2.1 Proceedings are commenced to have you adjudicated as bankrupt or to seek your reorganization under any state or federal bankruptcy or insolvency law, and such proceedings are not dismissed within 60 days, or a trustee or receiver is appointed for you or for the Studio without your consent, and the appointment is not vacated within 60 days;

23.2.2 A levy or writ of attachment or execution or any other lien is placed against you or any of your principals, as applicable, or any of your assets or your principal's assets which is not released or bonded against within 30 days;

23.2.3 In the sole and absolute discretion of Franchisor, you fail to successfully complete all required Franchisor training programs at least 60 days following the opening of your Studio;

23.2.4 You or any of your principals are insolvent;

23.2.5 You or any of your principals are convicted of or plead no contest to a felony or criminal misconduct relevant to the performance of your duties under this Agreement;

23.2.6 You have misrepresented any material information to Franchisor given in connection with this Agreement including, but not limited to information in your franchise application, or you falsify any material information provided to Franchisor;

23.2.7 You or your principals commit any fraud or engage in any illegal conduct in connection with the Studio, or intentionally underreport or misstate any information you are required to report to Franchisor;

23.2.8 You misuse any of the Proprietary Marks, Copyrights or Confidential Information and fail to immediately cease or correct such use after receiving written or oral notification from Franchisor;

23.2.9 You fail to satisfy all requirements for Site Selection under Section 2.2 within 120 days of the effective date of this Agreement, and you fail to request and obtain an extension of the Site Selection Period;

23.2.10 You abandon your Studio (for purposes of this provision, the term "abandon" shall

mean your failure to operate the Studio for 3 or more consecutive days);

23.2.11 You fail to cure any default of your lease or sublease for your Studio's location within the relevant cure period, if any, or to remedy any default under any note, lease, or sublease for the Studio's location, or for the equipment or inventory therein, or lose the right to possession of the Studio's location, provided however, that if any such loss of possession results through no fault of your own, and the premises are damaged or destroyed by fire, flood or other natural disaster such that they cannot, in Franchisor's sole judgment, reasonably be restored, or you are not permitted under the lease or sublease to restore, then this Agreement shall not be terminated for that reason for a period of 60 days thereafter, provided that Franchisor has approved (i) a site within that time to which you will relocate for the remainder of the term of this Agreement; and (ii) your schedule for reopening the Studio, which approval shall not be unreasonably withheld;

23.2.12 You violate the confidentiality/non-disclosure obligations of this Agreement;

23.2.13 The provisions contained in this Agreement ~~for transfer by you~~ upon death, disability or ~~incapacity incompetence~~ are not strictly followed;

23.2.14 You violate the covenant not to compete;

23.2.15 You fail to obtain Franchisor's approval or consent as required by this Agreement, except as required by Section 21 which shall resort in an automatic termination;

23.2.16 You violate any of the provisions of this Agreement, any other agreement with Franchisor, and/or any of Franchisor's policies, procedures or system standards on 2 or more occasions within any 12-month period (notwithstanding the cure of any individual violation); or

23.2.17 You fail to open your Studio or request and obtain an extension of time to open your studio within 275 days of the effective date of this Agreement.

23.3 Termination by Franchisor After a Thirty (30) Day Cure Period. Franchisor has the right to terminate this Agreement, after providing you a 30-day cure period, if you fail to comply with any term of this Agreement not listed in Section 23.2.

23.4 Cross-Default. If you are the owner of more than 25% of another HOTWORX® studio franchise or corporate or limited liability company franchisee, then any breach of the franchise agreement for such additional franchise will constitute a breach of this Agreement and be grounds for Franchisor to terminate this Agreement. Moreover, a breach of this Agreement is grounds for termination of any other agreement you have with Franchisor or its Affiliates.

24. YOUR OBLIGATIONS UPON TERMINATION

24.1 Upon termination or expiration of this Agreement, you shall:

24.1.1 Promptly pay to Franchisor and/or its Affiliates any sums due and owing, and to other

persons or entities sums which may result in a claim of liability to Franchisor.

24.1.2 Upon termination of this Agreement at any time and for any reason, You must also promptly pay Franchisor:

- (1) ~~R~~oyalty fees,
- (2) ~~V~~irtual ~~I~~nstruction software fees,
- (3) POS software fees,
- (4) SAIL fees, ~~and~~
- (5) Tech fees,
- (6) Convention fees,
- (7) DIET TRAX fees,
- (8) DYNAMIX fees, and
- (9) projected sales of wholesales goods based on the Studio's average performance since the opening of the Studio

that would otherwise be due for the remaining term of this Agreement, discounted to present value using an interest rate of 8% and using the annuity valuation method. These fees shall be accelerated and payable even where Franchisee's obligation to pay said fees have not yet commenced under Sections 10.2, 10.4, 10.8 and 10.9 of this Agreement. In the event that the franchise studio has not yet opened, 24.1.2(9) shall be calculated based on the average of all franchise outlets retail sales of wholesale goods for the 12 months prior to the date of termination. Nothing in this section shall limit Franchisor's right to claim other damages arising out of your breach of the Agreement. This Section shall not apply in the event the Agreement expires by its own Term. This Section shall not apply in the event the termination is due to your bankruptcy;

24.1.3 Immediately cease using the Proprietary Marks, Software, Copyrights and Confidential Information and refrain from referencing any past association with a HOTWORX® studio;

24.1.4 Immediately discontinue all marketing under the name "HOTWORX®" or any similar name;

24.1.5 Immediately discontinue use of all HOTWORX® equipment. You will not be permitted to sell any HOTWORX® equipment that is trademarked, patented or patent pending;

24.1.6 Promptly transfer to Franchisor, its Affiliates or Franchisor's designee any and all registrations and/or telephone listings, email addresses, social media and other URLs under the name "HOTWORX®" or any similar designation and execute such instruments and take such steps as Franchisor may require to accomplish the transfer of any such registration or listing. You hereby grant to Franchisor power of attorney to cancel any fictitious name registration under the name referenced above, or any similar name;

24.1.7 If directed by Franchisor, promptly make such changes and modifications in your business methods, Studio, and otherwise as Franchisor directs so as to effectively distinguish the franchise location from any appearance as a HOTWORX® studio;

24.1.8 Promptly destroy or surrender to Franchisor all signs, stationery, letterhead, forms

and other printed materials containing any of the Proprietary Marks or any other similar name or mark;

- 24.1.9 Promptly return to Franchisor any materials related to the Operational Systems Checklist and other materials provided by Franchisor or containing Confidential Information or Trade Secrets, or other information which relates to the System or the development and/or the operation of the Studio, including but not limited to computer files, customer data, log in credentials, passwords, programs and other materials provided to you by Franchisor;
 - 24.1.10 Maintain all books, records and reports Franchisor requires for a period of not less than 1 year, and permit Franchisor to inspect such documents;
 - 24.1.11 Deliver to Franchisor a complete list of all persons employed by you during the 3 years immediately preceding termination, together with all employment files for each person on the list;
 - 24.1.12 Provide Franchisor, within 30 days after the effective date of termination or expiration, evidence satisfactory to Franchisor of your compliance with the foregoing obligations;
 - 24.1.13 Comply with all provisions of this Agreement that by their nature survive the termination or expiration of this Agreement; and
 - 24.1.14 Promptly provide Franchisor with an inventory list of all products, equipment or other materials containing any Proprietary Marks and/or intellectual property of Franchisor or its affiliates.
- 24.2 Security Interest in Personal Property. Franchisor shall have a security interest in any equipment, supplies and other personal property on the site if Franchisor has not received all funds due and owing from you and if Franchisor is entitled by law to possession and a lien against such property.
- 24.3 Option to Purchase Personal Property. Franchisor, its Affiliates or its assignee also has the option, but is not obligated, to purchase any property, including any products, equipment or other materials, and personal property used in connection with the operation of your Studio by providing you written notice of its election within six (6) months after termination or expiration of this Agreement and paying you the book value for such personal property within 30 days of such notice. For purposes of this Section, “book value” means the amount you actually paid for the personal property less depreciation (calculated by using the straight-line depreciation method on a 10-year depreciation schedule irrespective of the depreciation method or schedule you use for accounting purposes). Where such option is exercised, Franchisee is responsible for all costs associated with securely disassembling, where applicable, storing and/or shipping or otherwise delivering in good condition and working order such personal property to a site determined by Franchisor. Notwithstanding the foregoing, to the extent that Franchisor exercises its right to purchase any property that is subject to a lease or finance agreement, the purchase price of such property shall equal the amount of your remaining obligations under the lease or finance agreement, as applicable. In the event that the amounts due are in excess of book value, then the purchase price shall be equal to the lesser of the amount due under the lease or finance agreement or book value. Franchisor shall be entitled to offset the purchase

price by the amount of money owed by you to Franchisor for any payments necessary to acquire clear title to property or for any other amounts owed under this Agreement. If Franchisor exercises its option to purchase, pending the closing of such purchase, Franchisor has the right to appoint a manager to maintain operation of the Studio, or Franchisor may require that you close the Studio during such period without removing any assets. You are required to maintain in force all insurance policies required under this Agreement until the date of such closing.

25. CHOICE OF LAW; DISPUTE RESOLUTION

- 25.1 Governing Law. This Agreement shall be deemed to have been made in the State of Louisiana and shall be construed according to the laws of Louisiana without regard to its conflict of laws, La. Civ. Code Arts. 3515 et seq., and any amendments and/or revisions thereto.
- 25.2 **Internal Dispute Resolution. Before commencing any legal action against Franchisor or its Affiliates with respect to any such claim or dispute, you must submit a notice of dispute which specifies, in detail, the precise nature and grounds of such claim or dispute to Franchisor. If your claim or dispute cannot be resolved, you must agree to a face-to-face meeting between you, your attorney if you have retained one, a corporate representative from Franchisor and the Franchisor's counsel prior to engaging in mediation. This meeting may occur via Skype or another virtual face-to-face platform. You must exhaust these internal dispute resolution procedures before proceeding to mediation.**
- 25.3 Mediation. In the event any claim or dispute is not resolved under Section 25.2 and at Franchisor's option, all claims or disputes between you and Franchisor or its Affiliates arising out of, or in any way relating to, this Agreement, or any of the parties' respective rights and obligations arising out of this Agreement, shall be submitted first to mediation, in Jefferson Parish, Louisiana. The parties shall equally share the costs of mediator's fees. Franchisor may elect to establish a Peer Compliance Committee (PCC) to review certain claims Franchisor or you may make against each other.
- 25.4 Arbitration. At Franchisor's option, all disputes and claims relating to this Agreement or any ancillary agreement entered into between the parties, the rights and obligations of the parties, or any other claims or causes of action of either party relating to the making, interpretation, or performance of this Agreement, shall be settled by arbitration in Jefferson Parish, Louisiana in accordance with the Federal Arbitration Act and the Commercial Arbitration Rules of the American Arbitration Association. Any discovery to be conducted under any proceeding hereunder shall be conducted pursuant to the Rules of Federal Procedure. The following shall supplement and, in the event of a conflict, shall govern any arbitration: If the claim is for less than \$35,000 then the matter shall be heard before a single arbitrator. If the claim, or a counterclaim, is for \$35,000 or more, the matter shall be heard before a panel of three (3) arbitrators and each party shall appoint its own arbitrator, and the appointed arbitrators shall appoint a "neutral" arbitrator from the AAA's list of arbitrators. Arbitrability will be decided by the arbitrator. Any arbitration proceeding, or any claim in arbitration (including any defense and any claim of setoff or recoupment), must be brought or asserted before the expiration of the earlier of (1) the time period for bringing an action under any applicable state or federal statute of limitation; (2) one (1) year after the date upon which a party discovered or should have discovered, the facts giving rise to an alleged claim; or (3) two (2) years after the first act or omission giving rise to an alleged claim. Claims of Franchisor attributable to the underreporting of sales and claims of the parties for indemnification shall be subject only to the applicable state or federal statute of limitation.

- 25.4.1 Neither party shall pursue class claims and/or consolidate the arbitration with any other proceeding to which the Franchisor or its Affiliates are a party. This includes the consolidation/joiner of claims arising out of or related to separate Agreements. Each party must bear its own costs of arbitration including the fee for their respective arbitrator; provided, however, that the neutral or the single arbitrator's fee shall be shared equally by Franchisor and you.
- 25.4.2 If Franchisor is the prevailing party, the arbitrator's award shall include all fees, costs and attorneys' fees, notwithstanding the foregoing. The arbitrators shall have no authority to amend or modify the terms of the Agreement. To the extent permitted by applicable law, no issue of fact or law shall be given preclusive or collateral estoppel effect in any arbitration, except to the extent such issue may have been determined in another proceeding between the parties. Judgment upon the award of the arbitrator shall be submitted for confirmation to the United States District for the Eastern District of Louisiana and, if confirmed, may be subsequently entered in any court having competent jurisdiction. This agreement to arbitrate shall survive any termination or expiration of this Agreement.
- 25.5 Third-Party Beneficiaries. Franchisor's managers, officers, members, directors, shareholders, agents, employees, [successors](#) and/or Affiliates are express third-party beneficiaries of this Agreement and the mediation and arbitration provisions contained herein, each having authority to specifically enforce the right to mediate and arbitrate claims asserted against such person(s) by you.
- 25.6 Injunctive Relief. Nothing contained in this Agreement herein shall prevent the Franchisor from applying to or obtaining from any court having jurisdiction, without bond, a writ of attachment, temporary injunction, preliminary injunction and/or other emergency relief available to safeguard and protect the Franchisor's interests prior to the filing of any legal proceeding or pending the trial or handing down of a decision or award pursuant to any legal proceeding conducted hereunder.
- 25.7 Jurisdiction and Venue. With respect to any proceeding not subject to arbitration and excepting provision in Section 25.6 regarding injunctive relief, the parties agree that any action at law or in equity instituted against either party to this Agreement shall be commenced only in the 24th Judicial District Court for the Parish of Jefferson, Louisiana or the United States District Court for the Eastern District of Louisiana at Franchisor's discretion.
- 25.8 Jury Trial Waiver. With respect to any proceeding, the parties hereby agree to waive trial by jury in any action, proceeding or counterclaim, whether at law or equity, regardless of which party brings suit. This waiver shall apply to any matter whatsoever between the parties to the Agreement which arises out of or is related in any way to this Agreement, the performance of either party, and/or your purchase from Franchisor of the franchise and/or any goods or services.
- 25.9 Waiver of Punitive Damages. You waive to the fullest extent permitted by law, any right to or claim for any punitive, exemplary, incidental, indirect, special or consequential damages (including, without limitation, lost profits) which you may have against Franchisor, its Affiliates, successors or assigns, arising out of any cause whatsoever (whether such cause be based in contract, negligence, strict liability, other tort or otherwise) and agree that in the event

of a dispute, recovery shall be limited to actual damages. If any other term of this Agreement is found or determined to be unconscionable or unenforceable for any reason, this provision shall continue in full force and effect, including, without limitation, the waiver of any right to claim any consequential damages.

25.10 Class Action Waiver. You hereby agree to waive any class action proceeding or counterclaim against Franchisor, its Affiliates, officers, directors, managers, members, shareholders, successors or assigns, whether at law or equity, regardless of which party brings suit. This waiver shall apply to any matter whatsoever between the parties to the Agreement which arises out of or is related in any way to this Agreement, the performance of either party, and/or your purchase from Franchisor, its Affiliates, successors or assigns of the franchise and/or any goods or services.

25.11 Attorneys' Fees. If either party institutes any judicial or arbitration proceeding to enforce any obligations under or to interpret the terms of this Agreement and Franchisor prevails in the action or proceeding, you shall be liable to Franchisor for all costs, including reasonable attorneys' fees, incurred in connection with such proceeding.

25.12 Non-waiver. Franchisor's failure to insist upon strict compliance with any provision of this Agreement shall not be a waiver of Franchisor's right to do so, any law, custom, usage or rule to the contrary notwithstanding. Delay or omission by Franchisor respecting any breach or default shall not affect Franchisor's rights respecting any subsequent breaches or defaults. All rights and remedies granted in this Agreement shall be cumulative. Franchisor's election to exercise any remedy available by law or contract shall not be deemed a waiver or preclude exercise of any other remedy.

26. CONSTRUCTION

26.1 Entire Agreement. This Agreement contains the entire agreement between the parties concerning the franchisee's franchise; no promises, inducements or representations not contained in this Agreement have been made, or shall any be of any force or effect, nor binding on the parties. Modifications of this Agreement must be in writing and signed by both parties. Franchisor reserves the right to change Franchisor's policies, procedures, standards, specifications or manuals at Franchisor's discretion. Nothing in the Agreement or in any related agreement is intended to disclaim the representation we made in the Franchise Disclosure Document.

26.2 Survival. Any provisions of this Agreement which may be reasonably interpreted to impose any obligation after termination or expiration hereof, shall survive such termination or expiration and be binding upon the parties.

26.3 Severability. The parties agree that if any provisions of this Agreement may be construed in two ways, one of which would render the provision illegal or otherwise voidable or unenforceable and the other which would render it valid and enforceable, such provision shall have the meaning, which renders it valid and enforceable. The language of all provisions of this Agreement shall be construed according to fair meaning and not strictly construed against either party. The provisions of this Agreement are severable, and this Agreement shall be interpreted and enforced as if all completely invalid or unenforceable provisions were not contained herein, and partially valid and enforceable provisions shall be enforced to the extent that they are valid

and enforceable. If any material provision of this Agreement shall be stricken or declared invalid, the parties agree to negotiate mutually acceptable substitute provisions. In the event that the parties are unable to agree upon such provisions, Franchisor reserves the right to terminate this Agreement.

- 26.4 Construction. The terms “Franchisee” and “you” shall be construed to refer to the male or female gender in all cases where the franchisee is an individual, masculine or feminine modifiers and pronouns notwithstanding. The term “Franchisee” and “you” include all persons or entities identified as “Franchisee” in the Data Sheet. The term “principals” shall include your general and limited partners if you are a partnership; your officers, directors and shareholders if you are a corporation; and your members and managers if you are a limited liability company. The Section captions are inserted only for convenience and reference, and are not intended to define, limit or describe the scope, intent or language of this Agreement or any provisions hereof.
- 26.5 Binding Agreement. This Agreement shall be binding upon the parties and their heirs, executors, personal representatives, successors and assigns. All franchisee signatories to this Agreement and all partners of a partnership franchisee, all officers, directors and shareholders of a corporate franchisee, and all members and managers of a limited liability company franchisee, shall be jointly and severally liable for the performance of all terms, covenants and conditions hereof.

27. PERSONAL GUARANTY OF SHAREHOLDERS, PARTNERS, MEMBERS AND MANAGERS

You acknowledge that all partners in a limited partnership, shareholders in a corporate franchisee, or members and managers in a limited liability company franchisee are obligated to execute a Guaranty Agreement in which each agrees to personally abide by all of the terms and conditions of this Agreement and guarantees to Franchisor your performance of this Agreement and your financial obligations. Unless all such partners, shareholders, or members and managers execute such Guaranty Agreement concurrently herewith, this Agreement shall, at Franchisor's option, become null and void and confer no rights upon you nor any partner, shareholder, member or manager. All guarantors shall be jointly and severally liable for the performance of all of the terms, covenants and conditions hereof. If you are an individual(s), or subsequent to execution hereof, you assign this Agreement to an individual(s), such individual's spouse hereby personally and unconditionally guarantees without notice, demand or presentment the payment of all of your monetary obligations under this Agreement as if each were an original party to this Agreement in his or her individual capacity. All such spouses further agree to be bound by the restrictions upon your activities upon transfer, termination or expiration of this Agreement as if each were an original party to this Agreement in his or her individual capacity. All such spouses shall execute the Guaranty Agreement in the form attached as Exhibit 3 to this Agreement.

28. REPRESENTATIONS AND ACKNOWLEDGEMENTS

- 28.1 No Warranties. Franchisor makes no warranties, express or implied, nor any representation whatsoever other than as expressly set forth herein.
- 28.2 No Authority. NO SALESPERSON, REPRESENTATIVE OR OTHER PERSON HAS THE AUTHORITY TO BIND OR OBLIGATE FRANCHISOR EXCEPT AN AUTHORIZED

OFFICER OF FRANCHISOR BY WRITTEN DOCUMENT.

- 28.3 Receipt. THE UNDERSIGNED ACKNOWLEDGES RECEIPT OF HOTWORX® FRANCHISING, LLC FRANCHISE DISCLOSURE DOCUMENT, FINANCIAL STATEMENTS AND CONTRACTS FOR THE HOTWORX® STUDIO FRANCHISE AT LEAST 14 CALENDAR DAYS PRIOR TO EXECUTION OF THIS AGREEMENT OR PAYMENT OF ANY MONIES FOR THE FRANCHISE. THE UNDERSIGNED ACKNOWLEDGES RECEIPT OF THIS AGREEMENT, WITH ALL BLANKS COMPLETED AND WITH ANY AMENDMENTS AND EXHIBITS, AT LEAST 7 CALENDAR DAYS PRIOR TO EXECUTION OF THIS AGREEMENT.
- 28.4 Your Business Efforts. THERE ARE ECONOMIC HAZARDS IN CONNECTION WITH THE OPERATION OF ANY BUSINESS, INCLUDING THE TYPE CONTEMPLATED BY YOU PURSUANT TO THIS AGREEMENT.
- 28.5 Execution of Agreement. EACH OF THE UNDERSIGNED PARTIES WARRANTS THAT IT HAS THE FULL AUTHORITY TO SIGN AND EXECUTE THIS AGREEMENT. IF YOU ARE A PARTNERSHIP, CORPORATION OR LIMITED LIABILITY COMPANY, THE PERSON EXECUTING THIS AGREEMENT ON BEHALF OF SUCH PARTNERSHIP, CORPORATION OR LIMITED LIABILITY COMPANY WARRANTS TO FRANCHISOR, BOTH INDIVIDUALLY AND IN HIS CAPACITY AS PARTNER, OFFICER, MEMBER OR MANAGER, AS APPLICABLE, THAT ALL OF THE PARTNERS OF THE PARTNERSHIP, ALL OF THE SHAREHOLDERS OF THE CORPORATION, OR ALL OF THE MEMBERS AND MANAGERS OF THE LIMITED LIABILITY COMPANY, AS APPLICABLE, HAVE READ AND APPROVED THIS AGREEMENT, INCLUDING ANY RESTRICTIONS WHICH THIS AGREEMENT PLACES UPON RIGHTS TO TRANSFER THEIR INTEREST IN THE PARTNERSHIP, CORPORATION OR LIMITED LIABILITY COMPANY.
- 28.6 Execution in Duplicate. THIS AGREEMENT MAY BE EXECUTED IN DUPLICATE, EACH OF WHICH SHALL BE DEEMED AN ORIGINAL.

The parties to the Agreement, intending to be legally bound, have here executed this Agreement the day and year first above written in the Data Sheet.

Franchisee: _____

Date: _____

Franchisee: _____

Date: _____

HOTWORX® Franchising, LLC

By: _____

Date: _____

This Agreement is not fully executed until signed by an authorized representative ~~the CEO or President~~ of HOTWORX® Franchising, LLC

EXHIBIT 1

HOTWORX® FRANCHISING, LLC
SINGLE UNIT FRANCHISE AGREEMENT

SCHEDULE OF AUTHORIZED AND APPROVED PRODUCTS AND SERVICES

For purposes of the Franchise Agreement, the following products and services are currently “Authorized and Approved Products and Services” as described in Section 9.3.

HWX, LLC: HOTWORX® infrared sauna and Thunder Row®, private labeled products, accessories, fixtures, weights and FX Zone equipment

Ice Shaker: HOTWORX labeled ice shaker

~~**Nautilus:** Cable machine~~

Keiser: Total Body Trainers

Core Health and Fitness: Cycles, [Nautilus Cable Machine](#), and FX Zone items

Cinematic: Lighting and flooring, Interior Building Components

S&F Fabrication: Lighting and flooring, Interior Building Components

~~**Build Point USA:** [Lighting and flooring, Interior Building Components](#).~~

Local Signage Company to our Specifications: Exterior signage

BizChair.com: Lobby chairs

Motors & Controls Inc.: Hand dryer

Selectivend: Vending Machine

CandyMachine: Vending Machine

Vendnet: Supplies for Vending Machine

Rockbot: Music Streaming Services

Zogics, Envirochem or MARQ labs: Studio cleaning, sanitizing and disinfecting products and services

CardioPartners: Defibrillator

Best Buy: Chrome boxes, ~~and~~ music hardware and speakers, ~~and TVs~~

Master Telecom: Security System

~~**VistaPrint:** Printed Marketing and Advertising Material, Lifestyle and Lobby Images, Branded Promotional Items Signage, and Accessories~~

~~**Faux Pas:** HOTWORX® gear and apparel~~

~~**LeadBox.com:** HOTWORX Lead Boxes~~

~~**Morrow Hill:** National Real Estate Portfolio Manager~~

SocialMadeSimple: Social Media ~~Marketing and~~ Advertising

~~**Drive:** [Social Media Advertising, Search Engine Optimization and Google Advertising](#)~~

Higher Visibility: Search Engine Optimization (SEO) & Google Advertising

Marq: Brand Management, Content Design & Templating Platform.

SoCi: Organic social, reviews, and listings

Faux Pas: [HOTWORX® gear and apparel](#)

LeadBox.com: [HOTWORX Lead Boxes](#)

VistaPrint: [Printed Marketing and Advertising Material, Branded Promotional Items Signage, and Accessories](#)

Paychex: Payroll Services and Worker's Compensation Insurance

Whirks: Payroll Services

Daniel and Henry: Insurance

Intuit: QuickBooks Online accounting software

Greenlite/Cantaloupe: Cashless transactions and online reporting services relating to vending machine transactions

Block (formerly Square) / SquareUp: Square Terminal Reader for credit card swipe, dip, and tap card processing and merchant services

Nayax: Cashless transactions and online reporting services relating to vending machine transactions

360 Relay: Mystery Shopper Program

Franchisee: _____

Date: _____

Franchisee: _____

Date: _____

HOTWORX® Franchising, LLC

By: _____

Date: _____

[Page 2 of 2]

EXHIBIT 2

HOTWORX®FRANCHISING, LLC

SINGLE UNIT FRANCHISE AGREEMENT

APPROVED LOCATION AND TERRITORY ADDENDUM

The undersigned franchisee has the right to establish one HOTWORX® studio at the following Approved Location (as defined in Section 2 of the Franchise Agreement): _____

Your Protected Territory generally will be a circle, the center of which will be your location as defined by your signed lease. The actual size and dimensions of your Territory may be less than stated below and will depend upon the specific variables of your Site, including population density, marketing and development trends, traffic flow and natural and man-made boundaries. A map plotting the Protected Territory will be attached hereto upon execution of an approved lease for your location.

If a radius is used to determine your Territory, then the radius of the circle will be based on where the studio site is located ~~and the number of HOTWORX® sauna(s) installed~~ and will be either:

1. A radius ranging from one third of a mile (.3 miles) up to one and nine tenths of a mile (1.9 miles) if your studio is located in a densely populated area which may include suburbs; or
2. A two-mile (2.0 miles) radius if your studio is located in any other area.

Your Protected Territory shall exclude: (i) any area that is across a state line, river, navigable waterway, interstate, highway or other natural or man-made boundary; and (ii) regional shopping malls, professional or collegiate athletic facilities, residences, resorts and airports.

The final determination of the radius of Your Protected Territory will be decided by the Franchisor in its sole discretion.

Franchisee: _____

Date: _____

Franchisee: _____

Date: _____

HOTWORX® Franchising, LLC

By: _____

Date: _____

EXHIBIT 3

HOTWORX®FRANCHISING, LLC
SINGLE UNIT FRANCHISE AGREEMENT

GUARANTY AGREEMENT

WHEREAS, a Franchise Agreement dated _____ has been entered into between HOTWORX® Franchising, LLC (referred to as “Franchisor”) and _____ (referred to as “Franchisee”) for the operation by Franchisee of a HOTWORX® studio; and

WHEREAS, the undersigned guarantor desires to guaranty the obligations of Franchisee to HOTWORX® Franchising, LLC;

NOW, THEREFORE, the parties hereto, intending to be legally bound, do hereby agree as follows:

The undersigned, as a person with an interest in a HOTWORX® studio franchise, agrees to personally and unconditionally guaranty the obligations of Franchisee to Franchisor and shall personally be subject to and bound by all terms, conditions, restrictions and prohibitions contained in the HOTWORX® Franchising, LLC's Single Unit Franchise Agreement including, without limitation, the confidentiality provisions, covenants, and indemnification provisions contained in Sections 12, 18 and 19.2, respectively. Further, the undersigned agrees to personally act as surety for the full and faithful performance of all of the financial obligations, commitments and payments required of the Franchisee in any such subject Franchise Agreement. The undersigned agrees that Franchisor does not have to pursue any remedies it may have against the Franchisee or any other individual guarantor; but, rather, it may proceed directly and primarily against the undersigned with or without joining the Franchisee or other guarantors as principals or as named parties in any such proceeding. The undersigned is jointly and severally liable for such obligations, commitments and payments required of the Franchisee.

Witness: _____ Guarantor, Individually: _____

Witness: _____ Guarantor, Individually: _____

ACKNOWLEDGMENT BY GUARANTOR

WHEREAS, a Guaranty Agreement dated _____ is being entered into between HOTWORX® Franchising, LLC and _____ (“Guarantor”), whereunder Guarantor has guaranteed the obligations of franchisee to HOTWORX® Franchising, LLC _____ (“Guarantee”).

WHEREAS, HOTWORX® Franchising, LLC and Guarantor desire to clarify the relationship between them.

NOW, THEREFORE, Guarantor acknowledges that Guarantor has conducted an independent investigation of the HOTWORX® studio franchise program and recognizes that the business venture contemplated by the franchisee involves business risk and success will be largely dependent upon the ability of the franchisee, Guarantor and other persons with an interest in the franchise as independent business persons. HOTWORX® Franchising, LLC expressly disclaims the making of, and Guarantor acknowledges not receiving, any guaranty or warranty, express or implied, nor any representation as to the potential volume, profits or success of the business venture contemplated by the Franchise Agreement. Guarantor further represents that Guarantor is not a party to any agreement which might interfere with the performance required of persons with an interest in the franchise under the HOTWORX® Franchising, LLC’s Single Unit Franchise Agreement, and that entering into such agreement shall not in any way interfere with or constitute a breach of any prior existing contract to which Guarantor is a party.

Witness: _____ Guarantor, Individually: _____

Witness: _____ Guarantor, Individually: _____

EXHIBIT 4

HOTWORX® FRANCHISING, LLC

SINGLE UNIT FRANCHISE AGREEMENT

RIDER TO LEASE

THIS RIDER TO LEASE made this _____ day of _____ 2022, by and between _____, with principal offices at _____ (hereinafter “Landlord”); and _____, with principal offices at _____ (hereinafter “Tenant”); and HOTWORX® Franchising, LLC, a Wyoming limited liability company, with its principal address at 5161 Taravella Road, Marrero, Louisiana 70072 (hereinafter “Franchisor”).

This Rider supplements and forms a part of that certain lease between Landlord and Tenant, dated _____ of 2022, (the “Lease”) for leased premises located at _____ (the “Premises”). This Rider is entered into in connection with Franchisor’s grant of a franchise to Tenant to operate a franchised business at the Premises. It is intended to provide Franchisor the opportunity to preserve the Premises as a studio operated under Franchisor’s brand in the event of any termination of the lease or any franchise agreement between Franchisor and Tenant, ~~and to assure Landlord that, if Franchisor exercises the option to assume the Lease as provided in this Rider to Lease, any defaults of Tenant under the Lease will be cured by Franchisor before it takes possession of the Premises.~~ Landlord acknowledges and agrees that Franchisor will have the right, but not the obligation, to assume the Lease of the Premises attached as Exhibit A, on the terms, covenants and conditions hereinafter set forth.

1. DEFAULT BY TENANT UNDER THE LEASE

- 1.1 Landlord will send Franchisor copies of all notices of default it gives to Tenant at the same time it gives such notices to Tenant. If Tenant fails to cure any default within the period specified in the Lease, Landlord will promptly give written notice to Franchisor, specifying the default Tenant has failed to cure. Franchisor will have the right and option, but not the obligation, to assume the Lease by giving written notice to Landlord and Tenant within thirty (30) days after the date of receipt of Landlord’s notice that Tenant has failed to cure a default under the Lease.
- 1.2 Landlord will deliver possession of the Premises to Franchisor promptly after Landlord receives Franchisor’s written notice exercising its option to assume the Lease. Franchisor, upon taking possession of the Premises, will cure the defaults specified by Landlord and will execute and deliver to Landlord an assumption of the Tenant’s rights and obligations under the Lease.
- 1.3 Franchisor will not be required to cure defaults and/or begin paying rent until Landlord delivers possession of the Premises to Franchisor. If it becomes necessary for Landlord to pursue legal action in order to evict Tenant and deliver possession of the Premises to Franchisor, Franchisor will, upon written request by Landlord, pay into an escrow account with Landlord’s attorney, such amounts as are necessary to cure Tenant’s defaults. If Landlord is unable to deliver possession of the Premises to Franchisor within nine (9) months after the date of Franchisor’s exercise of its option to assume the Lease, Franchisor will have the right, at any time until Landlord delivers possession of the Premises, to rescind the option exercise, by written notice to Landlord, whereupon all amounts in escrow shall be returned

to Franchisor.

2. **TENANT'S FAILURE TO EXTEND THE LEASE TERM**

2.1 If the Lease contains the term renewal or extension right(s) and if Tenant allows the term to expire without exercising said right(s), Landlord will give Franchisor written notice thereof, and Franchisor will have the right and option, but not the obligation, to exercise the Tenant's renewal or extension right(s) on the same terms and conditions as are contained in the Lease by giving written notice to Landlord within thirty (30) days of receipt of Landlord's notice. If Franchisor exercises such right(s), Landlord and Franchisor will promptly execute a lease assumption agreement that will provide for Franchisor's assumption of the Lease effective at the commencement of the extension or renewal term.

3. **TERMINATION OF FRANCHISE AGREEMENT**

3.1 Franchisor will have the right and option, but not the obligation, to assume the Lease if any franchise agreement between Franchisor and Tenant is terminated for any reason during the term of the Lease. If any franchise agreement between Franchisor and Tenant is terminated and Franchisor desires to assume the Lease, it may give written notice to Landlord requesting that Landlord specify any existing defaults by Tenant under the Lease. Within fifteen (15) days after receipt of such notice, Landlord will give Franchisor written notice specifying any existing defaults by Tenant under the Lease.

3.2 If any franchise agreement between Franchisor and Tenant is terminated, Tenant shall, within ten (10) days after written demand by Franchisor, assign all of its right, title and interest in the Lease to Franchisor. If Tenant fails to do so, Tenant hereby designates Franchisor as its agent to execute any and all documents, agreements and to take all action that may be necessary or desirable to effectuate the assignment of the Lease and the relinquishment of any and all of Tenant's right there under. Landlord consents to such assignment, subject to Franchisor executing an assumption of the Lease in form reasonably satisfactory to Landlord and curing all defaults of Tenant under the Lease before taking possession of the Premises. Tenant further agrees to promptly and peaceably vacate the Premises and to remove its personal property at the written request of Franchisor. Any property not so removed by Tenant within ten (10) days following receipt of such written request shall be deemed abandoned by Tenant.

3.3 Tenant agrees that termination of any franchise agreement for the Premises shall, at the option of Landlord, be a default under the Lease.

4. **ADDITIONAL PROVISIONS**

[4.1.](#) Tenant shall remain liable to Landlord for all of its obligations under the Lease, notwithstanding any assignment of the Lease to Franchisor. Franchisor shall be entitled to recover from Tenant all amounts it pays to Landlord to cure Tenant's defaults under the Lease, including interest and reasonable collection costs.

[4.2. Notwithstanding anything to the contrary contained elsewhere in the Lease, Tenant \(including Franchisor as the current "Tenant" if Franchisor has assumed this Lease as provided herein\),](#)

shall have the right upon at least thirty (30) days prior written notice to Landlord, to assign this Lease to a franchisee (“Franchisee”) of Franchisor, provided that all of the following conditions are satisfied:

(a) Tenant is not in default of any of the terms, covenants or conditions of the Lease or, if Tenant is in default, Tenant shall cure or shall cause Franchisee to cure all Tenant’s default on or prior to the effective date of the assignment;

(b) Franchisee shall operate the same franchise business in the Premises pursuant to a valid franchise agreement with Franchisor;

(c) Franchisee shall assume in writing, in a form reasonably acceptable to Landlord, all of Tenant’s obligations under the Lease and deliver a copy of such assignment and assumption agreement to Landlord. In the event that the assignment is between Franchisor and a Franchisee, Franchisor shall be released from all liability as tenant under the Lease accruing after the date of the effective date of the assignment by the Franchisee.

(d) Franchisee shall execute and deliver to Landlord any personal guaranty(ies) required by the Lease; and

(e) The tangible net worth of Franchisee and any new guarantors shall not be less than of the original Tenant.

~~Prior to taking possession of the Premises pursuant to its rights under this Rider to Lease, Franchisor will cure the defaults specified by Landlord and execute and deliver to Landlord an assumption of the Tenants right and obligation under the Lease. Franchisor will pay, perform and be bound by all of the duties and obligations of the Lease applicable to Tenant, except that Franchisor may elect not to assume or be bound by the terms of any amendment to the Lease executed by Tenant that was obtained without obtaining Franchisor’s prior written approval.~~

~~4.1.4.3. After Franchisor assumes Tenant’s interest in the Lease, Franchisor will not be subject to any provision of the Lease that requires the Tenant to continuously operate a business in the Premises during any period that the business in the Premises is closed for remodeling or while the Franchisor is seeking to obtain and train a new franchisee to operate a franchised business in the Premises.~~

~~4.2.4.4. In the event that Franchisor assumes Tenant’s interests in the Lease, Franchisor may, with Landlord’s consent; sublet the Premises to a franchisee of Franchisor provided the Franchisor remains primarily liable under the Lease.~~

~~In the event that Franchisor assumes Tenant’s interest in the Lease, Franchisor may assign this Lease to a different franchisee so long as Franchisor remains liable for the payment of rent and the performance of Tenant’s duties and obligations under the Lease, while Franchisor’s assumption remains in effect. Franchisor may also, with the prior written consent of Landlord, assign without recourse its rights under the Lease. Landlord shall not unreasonably withhold its consent to an assignment to a franchisee of Franchisor who meets Franchisor’s financial qualification requirements. Upon receipt by Landlord of an assumption agreement in form reasonably satisfactory to Landlord pursuant to which such different franchisee agrees to assume the Lease and to observe the terms, conditions and agreements on the part of Tenant to be performed under the Lease, Franchisor shall be released from all liability as tenant under the Lease accruing after the date of the effective date of the assignment by the different franchisee.~~

~~4.3.4.5. If the Lease or Franchise Agreement for the Premises is terminated and Franchisor does~~

not exercise its option to assume the Lease, Tenant agrees, upon written demand by Franchisor, to promptly remove signs, décor and other items which Franchisor reasonably requests be removed as being distinctive and indicative of Franchisor's trademarks and trade dress. Franchisor may enter upon the Premises without being guilty of trespass or tort to affect such de-identification if Tenant fails to do so within ten (10) days after receipt of written demand from Franchisor. Franchisor will have five (5) days to perform such de-identification. Tenant shall pay Franchisor for its reasonable cost and expenses in effecting de-identification. Franchisor shall defend, indemnify and hold Landlord harmless from and against any claims arising from Franchisor's de-identification of the Premises. Landlord shall not be responsible to Tenant for any damages Tenant might sustain as a result of action Franchisor takes in accordance with this provision and Tenant expressly releases Landlord for any liability arising from such actions by Franchisor.

BY EXECUTING THIS RIDER TO THE LEASE, FRANCHISOR DOES NOT HEREBY ASSUME ANY LIABILITY WITH RESPECT TO THE PREMISES OR ANY OBLIGATION AS TENANT UNDER THE LEASE, UNLESS AND UNTIL FRANCHISOR EXPRESSLY ASSUMES SUCH LIABILITY AND/OR OBLIGATION, AS HERE IN ABOVE DESCRIBED.

All notices hereunder shall be delivered by certified mail to the addresses described in the Lease or to such other address as any party hereto may, by written notice instruct that notices be given. In the case of Franchisor, notices should be sent to: legal@hotworx.net and Legal Development Department at 5161 Taravella Road, Marrero, Louisiana, 70072, until further notice.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, THE PARTIES HERETO HAVE CAUSED THIS LEASE OPTION RIDER TO BE EXECUTED AS OF THE DATE FIRST ABOVE WRITTEN.

Witness/Attest:

Landlord

President

Individually

Tenant

President

Individually

HOTWORX® Franchising, LLC:

By: _____

EXHIBIT 5
HOTWORX® FRANCHISING, LLC

SINGLE UNIT FRANCHISE AGREEMENT

SOFTWARE LICENSE AGREEMENT

THIS AGREEMENT is entered into as of _____ (“Effective Date”) by and between
HOT TECH, LLC, a Louisiana limited liability company (“HOT TECH”), and
_____ (“LICENSEE”) located at
_____.

WHEREAS, LICENSEE wishes to license software for the purpose of point of sale, EFT drafting and data management and HOT TECH desires to license this software to LICENSEE.

NOW THEREFORE, the parties hereto agree as follows:

1. GRANT OF LICENSE

Subject to the terms and conditions of the Agreement, HOT TECH grants to LICENSEE a non-exclusive, revocable, non-transferable license to use the software identified in Exhibit A (the “Licensed Programs”) for the purpose of point of sale, EFT drafting and data management. LICENSEE may use the Licensed Programs in executable format for its own use. LICENSEE may not, however, transfer or sublicense the Licensed Programs to any third party, in whole or in part, in any form, whether modified or unmodified.

2. CONSIDERATION OF HOT TECH

LICENSEE shall pay, upon delivery of the Licensed Programs, the license fees set forth in Exhibit A attached here.

3. COPIES

LICENSEE may make copies of the Licensed Program in executable code form as necessary for use by LICENSEE and for backup or archive purposes. LICENSEE agrees to maintain records of the location and use of each copy, in whole or in part, of the Licensed Programs. Each Licensed Program is copyrighted but unpublished by HOT TECH. LICENSEE agrees to reproduce and apply the copyright notice and proprietary notice of HOT TECH to all copies made hereunder, in whole or in part and in any form, of Licensed Programs.

4. OWNERSHIP

The original and any copies of the Licensed Programs, made by LICENSEE, including translations, compilations, partial copies, modifications, and updates, are the property of HOT TECH.

5. PROPRIETARY RIGHTS

LICENSEE recognizes that HOT TECH regards the Licensed Programs as its proprietary information and as confidential trade secrets of great value. LICENSEE agrees not to provide or to otherwise make available in any form the Licensed Programs, or any portion thereof, to any person other than employees of LICENSEE without the prior written consent of HOT TECH, LLC. LICENSEE further agrees to treat the Licensed Programs with at least the same degree of care with which LICENSEE treats its own confidential information and in no event with less care than is reasonably required to protect the confidentiality of the Licensed Programs

6. TERM

The license granted hereunder shall continue unless and until terminated pursuant to Section 7 hereof and subject to LICENSEE's proper performance of its obligations hereunder.

7. TERMINATION

HOT TECH may terminate this Agreement if LICENSEE is in default of any of the terms and conditions of this Agreement and fails to correct such default within ten (10) days after written notice thereof from HOT TECH.

This Agreement may also be terminated in the event LICENSEE is required by contract to purchase or license some other software for the same or similar purpose of point of sale, EFT drafting and data management. By way of clarification, at the time this Agreement is executed, it is understood and agreed that LICENSEE has the right and obligation to use the software licensed by HOT TECH, pursuant to a Single Unit Franchise Agreement executed by and between LICENSEE (and/or its affiliates) and HOTWORX® Franchising, LLC

8. TERMINATION CERTIFICATE

In the event of termination, LICENSEE will immediately discontinue use of the Licensed Programs. Within one (1) month after termination of this Agreement, LICENSEE will furnish to HOT TECH a certificate which certifies with respect to each of the Licensed Programs that, through its best effort and to the best of its knowledge, the original and all copies, in whole or in part and in any form, of each of the Licensed Programs have been destroyed. The provisions of Sections 4, 5, 8, 11, and 13 hereof shall survive any termination of this Agreement

9. MAINTENANCE SUPPORT

HOT TECH will provide to LICENSEE the following support with respect to the Software:

- (i) In the case that LICENSEE has technical questions in the use of the Software, LICENSEE may submit those questions to HOT TECH via support ticket. HOT TECH shall provide consulting to answer such questions.
- (ii) LICENSEE shall pay to HOT TECH the software fee(s) set forth in Exhibit A.
- (iii) LICENSEE must have a HARDWIRED Local Area Network connection enabled to the Main Front Podium computer, (NOT a WIRELESS LAN) and the computer must be online at all times. If the connection is inactive for 10 consecutive days, access to your data may become limited.
- (iv) HOT TECH will install TeamViewer on the LICENSEE's computer. TeamViewer will be used to provide technical support and any software updates to the LICENSEE. TeamViewer must be active at all times.

10. DELIVERY OF LICENSED PROGRAMS

HOT TECH shall use its best efforts to deliver the Licensed Programs promptly after receipt of the purchase order and export license (if required).

11. WARRANTY DISCLAIMER

TO THE FULLEST EXTENT PERMITTED BY LAW, THE LICENSED SOFTWARE IS PROVIDED "AS IS" AND HOT TECH SPECIFICALLY DISCLAIMS ALL WARRANTIES AND

REPRESENTATIONS OF ANY KIND, WHETHER EXPRESS, IMPLIED, STATUTORY, OR OTHERWISE, INCLUDING ANY WARRANTY OF NON-INFRINGEMENT, WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, FUNCTIONALITY, TITLE AND ALL WARRANTIES ARISING FROM COURSE OF DEALING, USAGE OR TRADE PRACTICE. HOT TECH MAKES NO WARRANTY OF ANY KIND THAT THE SERVICES, THE LICENSED SOFTWARE OR ANY PRODUCTS OR RESULT(S) OF THE USE THEREOF, WILL MEET YOUR REQUIREMENTS OR EXPECTATIONS, OPERATE WITHOUT INTERRUPTION, ACHIEVE ANY INTENDED RESULT, BE COMPATIBLE OR WORK WITH ANY OF YOUR OR ANY THIRD PARTY'S SOFTWARE, HARDWARE, SYSTEM, DATA, OR OTHER SERVICES, OR BE SECURE, ACCURATE, COMPLETE, FREE OF HARMFUL CODE OR COMPONENTS, VIRUSES, OR ERROR-FREE, OR THAT ANY ERRORS OR DEFECTS CAN OR WILL BE CORRECTED.

LICENSEE FURTHER EXPRESSLY WAIVES THE WARRANTY AGAINST REDHIBITORY VICES AND DEFECTS, WHETHER APPARENT OR LATENT, UNDER LOUISIANA CIVIL CODE ARTICLES 2520 THROUGH 2548, INCLUSIVE, AND ANY OTHER APPLICABLE STATE OR FEDERAL LAW AND THE JURISPRUDENCE THEREUNDER.

11.12. PATENT AND COPYRIGHT INDEMNITY

HOT TECH will defend at its own expense any action brought against LICENSEE to the extent it is based on a claim that the Licensed Programs used within the scope of the license granted hereunder infringe a United States patent, copyright or other proprietary right of a third party. HOT TECH will pay any costs, damages or attorney fees finally awarded against LICENSEE in such action which are attributable to such claim, provided HOT TECH is promptly notified in writing of such claim, may control the defense and/or settlement of such claim, and is provided with all requested assistance, information and authority. In the event that a Licensed Program becomes, or in HOT TECH's opinion is likely to become, the subject of a claim of infringement of a United States patent, copyright or trade secret, HOT TECH may at its option either secure LICENSEE's right to continue using the Licensed Programs, replace or modify the Licensed Programs to make them not infringing.

12.13. LIMITATION OF LIABILITY

HOT TECH'S LIABILITY TO LICENSEE UNDER ANY PROVISIONS OF THIS AGREEMENT FOR DAMAGES FINALLY AWARDED SHALL BE LIMITED TO THE AMOUNTS ACTUALLY PAID HEREUNDER BY LICENSEE TO HOT TECH. EXCEPT WHERE PROHIBITED BY LAW, LICENSEE ACKNOWLEDGES AND AGREES THAT IN NO EVENT WILL HOT TECH BE LIABLE UNDER THESE TERMS, ANY LEGAL OR EQUITABLE THEORY, INCLUDING BREACH OF CONTRACT, TORT, STRICT LIABILITY OR OTHERWISE FOR ANY:

- (A) CONSEQUENTIAL, INCIDENTAL, INDIRECT, EXEMPLARY, SPECIAL, OR PUNITIVE DAMAGES;
- (B) INCREASED COST, DIMINUTION IN VALUE OR LOST BUSINESS, PRODUCTION, REVENUES OR PROFITS;
- (C) LOSS OF GOODWILL OR REPUTATION;
- (D) USE, INABILITY TO USE, LOSS, INTERRUPTION, DELAY, MODIFICATION, ALTERATION OR RECOVERY OF ANY DATA OR SYSTEMS, HACKING EVENT, OR BREACH OF DATA OR SYSTEM SECURITY; ~~OR~~

(E) COST OF REPLACEMENT PRODUCTS, GOODS OR SERVICES

IN EACH CASE REGARDLESS OF WHETHER OR NOT HOT TECH ALLEGEDLY CAUSED, DIRECTLY OR INDIRECTLY SUCH LOSSES OR DAMAGES AND/OR WAS ADVISED OF THE POSSIBILITY OF SUCH LOSSES OR DAMAGES.

13.14. NOTICES

All notices to HOT TECH in connection with this Agreement shall be in writing and may be given by certified, registered, or first-class mail at 5161 Taravella Rd., Marrero, Louisiana 70072. All notices to LICENSEE in connection with this Agreement shall be either via e-mail or by mail and may be given by certified, registered, or first-class mail at LICENSEE'S address as set forth in its franchise agreement.

14.15. SUCCESSORS

This Agreement will be binding upon and will inure to the benefit of the parties hereto and their respective representatives, successors and assigns except as otherwise provided herein.

15.16. SEVERABILITY

The parties agree that if any provisions of this Agreement may be construed in two ways, one of which would render the provision illegal or otherwise voidable or unenforceable and the other which would render it valid and enforceable, such provision shall have the meaning, which renders it valid and enforceable. The language of all provisions of this Agreement shall be construed according to fair meaning and not strictly construed against either party. The provisions of this Agreement are severable, and this Agreement shall be interpreted and enforced as if all completely invalid or unenforceable provisions were not contained herein, and partially valid and enforceable provisions shall be enforced to the extent that they are valid and enforceable.

16.17. GOVERNING LAW/FORUM

This Agreement shall be deemed to have been made in the State of Louisiana and shall be construed according to the laws of Louisiana without regard to its conflict of laws, La. Civ. Code Arts. 3515 et seq., and any amendments and/or revisions thereto. The parties agree that any action at law or in equity instituted against either party to this Agreement shall be commenced only in the 24th Judicial District Court for the Parish of Jefferson, Louisiana or the United States District Court for the Eastern District of Louisiana and LICENSEE hereby consents to jurisdiction of the foregoing courts.

17.18. NON-ASSIGNMENT

This Agreement and the licenses granted by it may not be assigned, sub-licensed, or otherwise transferred by LICENSEE without the prior written consent of HOT TECH.

18.19. EXPORT REGULATIONS

LICENSEE understands that HOT TECH is subject to regulation by agencies of the U.S. Government, including the U.S. Departments of Commerce and State, which prohibit export or diversion of certain technical products to certain countries. LICENSEE warrants that it will comply in all respect with the export and re-export restrictions set forth in the export license for the Licensed Programs and all other applicable export regulations. LICENSEE agrees to indemnify and hold HOT TECH harmless from any loss, damages, liability or expenses incurred by HOT TECH as a result of LICENSEE's failure to comply with any export regulations or restrictions.

19.20. ENTIRE AGREEMENT

This Agreement sets forth the entire understanding between the parties with respect to the subject matter hereof, and merges and supersedes all prior agreements, discussions and understandings, express or implied, concerning such matters. This Agreement shall take precedence over any additional or conflicting terms, which may be contained in LICENSEE's purchase order or HOT TECH's order acknowledgment forms.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed as of the Effective Date.

LICENSEE:

By: _____ (Signature)

Name: _____ (Print or Type)

Title: _____

HOT TECH, LLC:

By: _____ (Signature)

EXHIBIT A

LICENSED PROGRAMS

PROGRAM	Advanced Version Software/EFT Access Fee
HOT TECH	\$129.00 / month

EXHIBIT 6

HOTWORX® FRANCHISING, LLC

SINGLE UNIT FRANCHISE AGREEMENT

CONFIDENTIALITY AND NON-COMPETITION AGREEMENT

(for Franchisee's spouse and managers of Franchisee's studio(s))

In consideration of my being a spouse and/or manager of the studio of the designated franchisee, _____ ("Franchisee"), and other good and valuable consideration, the receipt and sufficiency of which is acknowledged, I hereby acknowledge and agree that:

1. Franchisee, has acquired the right and license from HOTWORX® Franchising, LLC (the "Company") to establish and operate a HOTWORX® studio—(the "S"Studio" or "Franchised Business") and the right to use in the operation of such Studio, the Company's trade names, service marks, trademarks, logos, emblems, and indicia of origin (the "Proprietary Marks") and the Company's unique and distinctive format and system relating to the establishment and operation of HOTWORX® studios (the "System"), as they may be changed, improved and further developed from time to time in the Company's sole discretion, only at the authorized and approved location pursuant to Franchisee's franchise agreement (the "Approved Location").

2. The Company possesses certain proprietary and confidential information relating to the operation of the System, which includes certain proprietary methods, techniques, formats, specifications, systems, procedures, methods of business practices and management, sales and promotional techniques and knowledge of, and experience in, the operation of the Franchised Business (the "Confidential Information").

3. Any and all information, knowledge, know-how, and techniques that the Company specifically designates as confidential shall be deemed to be Confidential Information for purposes of this Agreement.

4. The Franchisee will disclose the Confidential Information belonging to the Company or Franchised Business to me in providing training on the Company's Operational Systems Checklist and/or the Franchised Business and other general assistance during the term of this Agreement.

5. I will not acquire any interest in the Confidential Information, other than the right to utilize it in the operation of the Franchised Business during the term hereof, and the use or duplication of the Confidential Information for any use outside the System would constitute an unfair method of competition.

6. The Confidential Information is proprietary, involves trade secrets of the Company and/or Franchised Business, and is disclosed to me solely on the condition that I agree that I shall hold in strict confidence all Confidential Information and all other Information designated by the Company and/or Franchised Business as confidential. Unless the Company and/or Franchised Business otherwise agrees in writing, I will disclose and/or use the Confidential Information only in connection with my duties as to the Franchisee, and will continue not to disclose any such information even after I cease to be in that position and will not use any such information even after I cease to be in that position.

7. Except as otherwise approved in writing by the Company and/or Franchised Business, I shall not, while in my position with the Franchisee and for a continuous uninterrupted period commencing upon the cessation or termination of my position with Franchisee, regardless of the cause for cessation or termination,

and continuing for 2 years thereafter, either directly or indirectly, for myself, or through, on behalf of, or in conjunction with any person, persons, partnership, or corporation, own, maintain, operate, engage in, act as a consultant for, perform services for, or have any interest in any retail business selling any products or services which are the same as, or substantially similar to, any of the products or services offered by a HOTWORX® studio location (except at a HOTWORX® studio location), which is or is intended to be, located within: (1) the municipality and parish/county in which Franchisee's Approved Location(s) and Protected Territory are located as identified in Exhibit A of the Agreement; (2) the parishes/counties where other HOTWORX® franchises in Franchisee's state are located on the effective date of this Agreement and in the future; and (3) any one of Louisiana's 64 parishes, including those parishes/counties and/or municipalities identified in Exhibit A.

8. I agree that each of the foregoing covenants shall be constructed as independent of any other covenant or provision of this Agreement. If any provisions of this Agreement shall be declared to be invalid or unenforceable, in whole or in part, such invalidity or unenforceability shall not affect the remaining provisions hereof, which shall remain in full force and effect.

9. The Company is an intended beneficiary of this Agreement and may enforce it, solely and/or jointly with the Franchisee. I am aware that my violation of this Agreement will cause the Company and the Franchisee irreparable harm; therefore, I acknowledge and agree that the Franchisee and/or the Company may apply for the issuance of an injunction without bond preventing me from violating this Agreement, and I agree to pay the Franchisee and the Company all the costs it/they incur(s), including, without limitation, attorneys fees and expenses, if this Agreement is enforced against me. Due to the importance of this Agreement to the Franchisee and the Company, any claim I have against the Franchisee or the Company is a separate matter and does not entitle me to violate or justify any violation of this Agreement. Nothing within this agreement shall be construed as creating an employer-employee relationship between the Company and the undersigned.

10. This Agreement shall be construed under the laws of the State of Louisiana without regard to its conflict of laws, La. Civ. Code Arts. 3515 et seq., and any amendments and/or revisions thereto.

11. Modifications of this Agreement must be in writing and signed by both parties.

[SIGNATURES TO CONFIDENTIALITY AND NON-COMPETITION AGREEMENT ON
FOLLOWING PAGE]

[SIGNATURES TO CONFIDENTIALITY AND NON-COMPETITION AGREEMENT]

Signature: _____

Name: _____

Address: _____

Title: _____

Witness: _____

ACKNOWLEDGED BY FRANCHISEE

By: _____

Name: _____

Title: _____

By: _____

Name: _____

Title: _____

EXHIBIT A TO CONFIDENTIALITY AND NON-COMPETITION AGREEMENT

The covenants contained in paragraph 7 of the foregoing Confidentiality and Non-Competition Agreement shall apply to the following parishes/counties and/or municipalities:

- (1) _____ (municipality(ies)) – Municipality(ies) in which Franchisee’s Protected Territory and Approved Location as defined in the Franchise Agreement are located;

- (2) _____ (Parish(es)/County(ies)) – Parish(es)/County(ies) in which Franchisee’s Protected Territory and Approved Location as defined in the Franchise Agreement are located;

- (3) _____
(Current Parish(es)/County(ies)) – Those parish(es)/county(ies) where other HOTWORX® franchises in Franchisee’s state are currently located, as well as any Parish(es)/County(ies) in Franchisee’s state that are opened in the future; and

- (4) The following parishes in Louisiana: Acadia Parish, Allen Parish, Ascension Parish, Assumption Parish, Avoyelles Parish, Beauregard Parish, Bienville Parish, Bossier Parish, Caddo Parish, Calcasieu Parish, Caldwell Parish, Cameron Parish, Catahoula Parish, Claiborne Parish, Concordia Parish, DeSoto Parish, East Baton Rouge Parish, East Carroll Parish, East Feliciana Parish, Evangeline Parish, Franklin Parish, Grant Parish, Iberia Parish, Iberville Parish, Jackson Parish, Jefferson Parish, Jefferson Davis Parish, Lafayette Parish, Lafourche Parish, LaSalle Parish, Lincoln Parish, Livingston Parish, Madison Parish, Morehouse Parish, Natchitoches Parish, Orleans Parish, Ouachita Parish, Plaquemines Parish, Pointe Coupee Parish, Rapides Parish, Red River Parish, Richland Parish, Sabine Parish, St. Bernard Parish, St. Charles Parish, St. Helena Parish, St. James Parish, St. John the Baptist Parish, St. Landry Parish, St. Martin Parish, St. Mary Parish, St. Tammany Parish, Tangipahoa Parish, Tensas Parish, Terrebonne Parish, Union Parish, Vermillion Parish, Vernon Parish, Washington Parish, Webster Parish, West Baton Rouge Parish, West Carroll Parish, West Feliciana Parish, and Winn Parish.

EXHIBIT 8

HOTWORX® FRANCHISING, LLC
SINGLE UNIT FRANCHISE AGREEMENT

STATEMENT OF PROSPECTIVE FRANCHISEE

(Note: Dates and answers must be completed in the Prospective Franchisee's own handwriting.)

(1) The date of my first face-to-face meeting with a HOTWORX® studio Franchise Marketing Representative to discuss the possible purchase of a Franchise.

_____, 20__

Franchisee's Initials _____

(2) The date on which I received a Franchise Disclosure Document about the HOTWORX® studio Franchise.

_____, 20__

Franchisee's Initials _____

(3) The date when I received a fully completed copy (other than signatures) of the Franchise Agreement I later signed.

_____, 20__

Franchisee's Initials _____

(4) The earliest date on which I signed the Franchise Agreement or any other binding document (not including the Receipt page).

_____, 20__

Franchisee's Initials _____

(5) The earliest date on which I delivered cash, check or other consideration to the Franchise Marketing Representative, broker, HOTWORX® Franchising, LLC ("Franchisor") or any other person or company.

_____, 20__

Franchisee's Initials _____

Representations:

Did any representatives of Franchisor make any promises, agreements, contracts, commitments, understandings, "side-deals", options, rights-of-first-refusal or otherwise to you or with you with respect to any matter (including but not limited to any representations or promises regarding advertising (television or otherwise), marketing, site location, submarket, operational assistance or otherwise)? If so, please list below. If not, please state "None" below:

Franchisee's Initials _____

Did any representative of Franchisor make any oral, written or visual claim or representation, promise, agreement, contract, commitment, understanding or otherwise which contradicted, expanded upon or was inconsistent with the Franchise Disclosure Document or the Franchise Agreement? If so, please list below. If not, please state "None" below:

Franchisee's Initials _____

Did any representative of Franchisor make any oral, written or visual claim or representation (including but not limited to charts, tables, spreadsheets or mathematical calculations) which stated or suggested any specific level or range of actual or potential sales, costs, income, expenses, profits, cash flow, tax effects or otherwise (or from which such items might be ascertained), except for information stated in the Franchise Disclosure Document? If so, please list below. If not, please state "None" below:

Franchisee's Initials _____

Did any representative of Franchisor make any representations that a contingency, condition, prerequisite, prior requirement, proviso, reservation, impediment, stipulation, provision or otherwise exists with respect to any matter (including but not limited to obtaining financing, selection, purchase, lease or otherwise of a site, operational matters or otherwise) and/or with respect to your fully performing all of your obligations under the Franchise Agreement and/or any other documents to be executed by you? If so, please list below. If not, please state "None" below.

Franchisee's Initials _____

I hereby understand that there will be no refunds. Franchisee's Initials _____

Franchisor does not permit any promises, agreements, contracts, commitments, understandings, "side-deals", options, rights-of-first-refusal or otherwise or variations of, changes in or supplements to the Franchise Agreement or the existence of any contingencies or conditions to Franchisee's obligations except by means of a written addendum signed by Franchisee and Franchisor.

If any such representations, "side-deals", contingencies or otherwise have been made by you by any person or otherwise exist, immediately inform the CEO of Franchisor.

The prospective franchisee understands and agrees to all of the foregoing and certifies that all of the above statements are true, correct and complete. All representations requiring the prospective franchisee to assent to a release, estoppel or waiver of liability are not intended to nor shall they act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.

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.

This Statement of Prospective Franchisee does not waive any liability the franchisor may have under Washington Franchise Investment Protection Act, RCW 19.100, and the results adopted thereunder.

The Statement is not to be signed or used if the franchisee resides within, or if the franchised business will be located within the State of California, State of Maryland, State of Washington or the State of New York

[SIGNATURE PAGE TO FOLLOW]

FRANCHISEE(S):

By: _____

Date: _____

By: _____

Date: _____

By: _____

Date: _____

All of the above is true, correct and complete to the best of my knowledge, information and belief.

Franchise Marketing Representative

APPROVED:

HOTWORX® Franchising, LLC

By: _____

EXHIBIT G

HOTWORX® FRANCHISING, LLC

AREA DEVELOPMENT AGREEMENT

This Area Development Agreement ("Agreement") entered into this ____ day of _____, 20____ ("Effective Date"), between HOTWORX® Franchising, LLC, a Wyoming limited liability company, with an address at 5161 Taravella Road, Marrero, Louisiana 70072 (hereafter "HOTWORX®" or "Franchisor"), and _____ (hereafter "you" or "Franchisee" or "Developer").

Background

- A. Contemporaneous with or prior to the execution of this Agreement, you and HOTWORX® Franchising, LLC have entered into a Single Unit Franchise Agreement (the "First Franchise Agreement") for the right to establish and operate a single HOTWORX® studio (the "First Studio") and paid the Initial Franchise Fee.
- B. HOTWORX® offers certain franchisees the right and option to open and operate additional HOTWORX® studios (the "Additional studios") during the term of the option period (defined below) and otherwise upon the terms and conditions of this Agreement.
- C. You wish to purchase an option to establish and operate additional studios under the terms and conditions set forth in this Agreement.

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

Agreement

1. **Grant of Option.** In consideration of your payment to HOTWORX® of a \$ _____ option fee (the "Option Fee"), which is due and payable upon your execution of this Agreement, HOTWORX® grants you an option(s), which must be timely exercised as set forth herein, to establish and operate _____ additional studios under the terms and conditions of this Agreement (the "Option"). This Option Fee is deemed fully earned upon payment and is nonrefundable.
2. **Eligibility.** You may purchase this Option when you execute the First Franchise Agreement or at such time as Franchisor in its sole discretion permits.
3. **Option Period.** Time is of the essence for development. If you fail to meet any of the development deadlines listed in Appendix A and/or the development deadlines in any franchise agreement, such as site selection and/or opening, any and all remaining options shall be forfeited. The forfeiture of option(s) becomes effective— immediately and without written notice of forfeiture by Franchisor upon written notice of forfeiture by Franchisor.
4. **Exercise of Option.** In order to exercise your option for each additional studio you must satisfy all of the following conditions, upon the exercise of each option:

- A. You submit a written request to Franchisor advising that Developer wishes to exercise their option and provide Franchisor with Developer's written plan for financing subsequent license;
- B. Execute a new and current franchise agreement ("Additional Franchise Agreement(s)") for each of your additional studios, each with its own Data Sheet and Approved Location and Territory Addendum;
- C. You are not in default under this Agreement, or any other agreement with HOTWORX® Franchising, LLC and/or its affiliates, including any other franchise agreement or development agreement and have fully and faithfully performed all of your obligations under any such agreements throughout their respective terms;
- D. Neither this Agreement, the First Franchise Agreement or any other agreement with you has expired or been terminated by HOTWORX® and/or its affiliate;
- E. You have timely paid any fees or other monies due to HOTWORX® as they become due under the terms of the First Franchise Agreement or any other agreement with HOTWORX®;
- F. If You fail to sign an Additional Franchise Agreement(s) before any lease negotiations for additional HOTWORX® locations or prior to ~~engaging a real estate broker for~~ [engaging commencing site selection for a real estate broker for](#) consideration of additional HOTWORX® locations, you will incur a non-compliance fee of \$5,000;
- G. There has been no change in the effective control of you (by way of change in share ownership, membership or partnership interest, or otherwise) without HOTWORX®'s written consent; and
- H. You and your designated manager have successfully completed HOTWORX® University On-line certifications and have successfully completed all required training.

Your Options may be applied only to opening a new studio and may not be applied to already existing locations that you may acquire through an approved transfer.

- 5. **Sale or Assignment.** Your rights under this Agreement are personal and you may not sell, transfer, or assign any right granted herein. Notwithstanding the foregoing, if you are an individual or a partnership, you have the right to assign your rights under this Agreement to a corporation or limited liability company upon the same terms and conditions as provided in Section 21.6 of the First Franchise Agreement. HOTWORX® has the right to assign this Agreement in whole or in part in its sole discretion.
- 6. **Transfer of Development Area.** In the event that You elect to transfer and Franchisor approves the transfer of Your option(s) from one development area to another development area, then a \$5,000 transfer fee will be assessed.
- 7. **Time of the Essence.** Time is of the essence with respect to any time fixed for performance of any requirement set forth in this Agreement.

8. **Policies and Procedures.** Developer understands and agrees that this Agreement incorporates by reference Franchisor's policies, procedures, standards, specifications or manuals as set forth under the Operational Systems Checklist, including but not limited to the Location Selection Policy. Developer agrees to comply with all such policies, procedures, standards, specifications or manuals. Franchisor reserves the right to change Franchisor's policies, procedures, standards, specifications or manuals at Franchisor's sole discretion.
9. **Acknowledgment.** You acknowledge that this Agreement is not a franchise agreement and does not confer upon you any rights to use the HOTWORX® Proprietary Marks or the System.
10. **Notices.** All notices, requests and reports to be given under this Agreement shall be both by e-mail with a confirming receipt and in writing to Franchisor's address by either prepaid overnight or certified mail return receipt requested. Any required notices by Franchisor under this Agreement will be sent to the address or email address set forth in the First Franchise Agreement Data Sheet (which may be changed by written notice to Franchisor).
11. **Governing Law.** This Agreement shall be deemed to have been made in the State of Louisiana and shall be construed according to the laws of Louisiana without regard to its conflict of laws, La. Civ. Code arts. 3515 et seq., and any amendments and/or revisions thereto.
12. **Internal Dispute Resolution.** Before commencing any legal action against HOTWORX® Franchising, LLC or its Affiliates with respect to any claim or dispute relating to this Agreement, you must submit a written notice of dispute which specifies, in detail, the precise nature and grounds of such claim or dispute to HOTWORX®. If your claim or dispute cannot be resolved, you must agree to a face-to-face meeting between you, your attorney if you have retained one, a corporate representative from HOTWORX® and HOTWORX®'s counsel prior to engaging in mediation as set forth below. This meeting may occur via a virtual face-to-face platform. You must exhaust these internal dispute resolution procedures before proceeding to mediation.
13. **Mediation.** In the event any claim or dispute is not resolved under Section 12 and at HOTWORX®'s sole discretion, all claims or disputes between you and HOTWORX® and/or its Affiliates arising out of, or in any way relating to, this Agreement, or any of the parties' respective rights and obligations arising out of this Agreement, shall be submitted first to mediation, in the Parish of Jefferson, Louisiana. The parties shall equally share the costs of the mediator's fees.
14. **Arbitration.** In the event any claim or dispute is not resolved under Sections 12 and/or 13 and at HOTWORX®'s sole discretion, all disputes and claims relating to this Agreement or any other agreement entered into between the parties, the rights and obligations of the parties, or any other claims or causes of action relating to the making, interpretation, or performance of either party under this Agreement, shall be settled by arbitration in Jefferson Parish, Louisiana in accordance with the Federal Arbitration Act and the Commercial Arbitration Rules of the American Arbitration Association ("AAA"). The right and duty of the parties to this Agreement to resolve any disputes by arbitration shall be governed by the Federal Arbitration Act, as amended. Any discovery to be conducted under any proceeding hereunder shall be conducted pursuant to the Rules of Federal Procedure. The following shall supplement and, in the event of a conflict, shall govern any arbitration: If the claim is for less than \$35,000 then the matter shall be heard before a single arbitrator. If the claim, or a counterclaim, is for \$35,000 or more, the matter shall be heard before a panel of three (3) arbitrators and each party shall appoint its own arbitrator, and the appointed

arbitrators shall appoint a "neutral" arbitrator from the AAA's list of arbitrators. Arbitrability will be decided by the arbitrator. Neither party shall pursue class action claims, mass action claims and/or consolidate the arbitration with any other proceeding to which HOTWORX® and/or its Affiliates are a party. Each party must bear its own costs of arbitration including the fee for their respective arbitrator; provided, however, that the neutral or the single arbitrator's fee shall be shared equally by HOTWORX® and you.

Whether the matter is heard by a single arbitrator or three, the arbitrator's award shall be rendered within 7 days of the close of the hearing. If Franchisor is the prevailing party, the arbitrator's award shall include all fees, costs and attorneys' fees. The arbitrators shall have no authority to amend or modify the terms of this Agreement. To the extent permitted by applicable law, no issue of fact or law shall be given preclusive or collateral estoppel effect in any arbitration, except to the extent such issue may have been determined in another proceeding between the parties. Judgment upon the award of the arbitrator shall be submitted for confirmation to the United States District for the Eastern District of Louisiana and, if confirmed, may be subsequently entered in any court having competent jurisdiction. This agreement to arbitrate shall survive any termination or expiration of this Agreement.

15. **Third Party Beneficiaries.** HOTWORX®'s officers, members, directors, shareholders, agents, employees, successors, managers, and/or affiliates are express third-party beneficiaries of this Agreement and the mediation and arbitration provisions contained herein, each having authority to specifically enforce the right to mediate and arbitrate claims asserted against such person(s) by you.
16. **Injunctive Relief.** Nothing contained in this Agreement herein shall prevent HOTWORX® from applying to or obtaining from any court having jurisdiction, without bond, a writ of attachment, temporary injunction, preliminary injunction and/or other emergency relief available to safeguard and protect HOTWORX®'s interest prior to the filing of any arbitration proceeding or pending the trial or handing down of a decision or award pursuant to any arbitration proceeding conducted hereunder.
17. **Jurisdiction and Venue.** With respect to any proceeding not subject to arbitration and excepting the provisions contained in Section 16 regarding injunctive relief, the parties agree that any action at law or in equity instituted against either party to this Agreement shall be commenced only in the 24th Judicial District Court for the Parish of Jefferson, Louisiana or the United States District Court for the Eastern District of Louisiana, at HOTWORX®'s discretion.
18. **Jury Trial Waiver.** With respect to any proceeding not subject to arbitration, the parties hereby agree to waive trial by jury in any action, proceeding or counterclaim, whether at law or equity, regardless of which party brings suit. This waiver shall apply to any matter whatsoever between the parties hereto which arises out of or is related in any way to this Agreement, the performance of either party, and/or your purchase from HOTWORX® Franchising, LLC of the franchise, Option and/or any goods or services.
19. **Waiver of Punitive Damages.** You waive to the fullest extent permitted by law, any right to or claim for any punitive, exemplary, incidental, indirect, special or consequential damages (including, without limitation, lost profits) which you may have against HOTWORX®, its affiliates, successors or assigns, arising out of any cause whatsoever (whether such cause be based in contract, negligence, strict liability, other tort or otherwise) and agree that in the event of a dispute, recovery shall be limited to actual damages. If any other term of this Agreement is found or determined to

be unconscionable or unenforceable for any reason, the foregoing provisions shall continue in full force and effect, including, without limitation, the waiver of any right to claim any consequential damages.

20. **Class Action Waiver.** You hereby agree to waive any class action proceeding, mass action proceeding or counterclaim against HOTWORX[®], its affiliates, successors or assigns, whether at law or equity, regardless of which party brings suit. This waiver shall apply to any matter whatsoever between the parties hereto which arises out of or is related in any way to this Agreement, the performance of either party, and/or your purchase from HOTWORX[®], its affiliates, successors or assigns of the franchise and/or any goods or services.
21. **Attorneys' Fees.** If either party institutes any judicial or arbitration proceeding to enforce any monetary or non-monetary obligation or interpret the terms of this Agreement and HOTWORX[®] prevails in the action or proceeding, you shall be liable to HOTWORX[®] for all costs, including reasonable attorneys' fees, incurred in connection with such proceeding.
22. **Nonwaiver.** HOTWORX[®]'s failure to insist upon strict compliance with any provision of this Agreement shall not be a waiver of HOTWORX[®]'s right to do so, any law, custom, usage or rule to the contrary notwithstanding. Delay or omission by HOTWORX[®] respecting any breach or default shall not affect HOTWORX[®]'s rights respecting any subsequent breaches or defaults. All rights and remedies granted in this Agreement shall be cumulative. HOTWORX[®]'s election to exercise any remedy available by law or contract shall not be deemed a waiver or preclude exercise of any other remedy.
23. **Severability.** The parties agree that if any provisions of this Agreement may be construed in two ways, one of which would render the provision illegal or otherwise voidable or unenforceable and the other which would render it valid and enforceable, such provision shall have the meaning which renders it valid and enforceable. The language of all provisions of this Agreement shall be construed according to fair meaning and not strictly construed against either party. The provisions of this Agreement are severable, and this Agreement shall be interpreted and enforced as if all completely invalid or unenforceable provisions were not contained herein, and partially valid and enforceable provisions shall be enforced to the extent that they are valid and enforceable. If any material provision of this Agreement shall be stricken or declared invalid, the parties agree to negotiate mutually acceptable substitute provisions. In the event that the parties are unable to agree upon such provisions, HOTWORX[®] reserves the right to terminate this Agreement.
24. **Construction of Language.** Any term defined in the First Franchise Agreement which is not defined in this Agreement will be ascribed the meaning given to it in the First Franchise Agreement. All words in this Agreement refer to whatever number or gender the context requires. If more than one party or person is referred to as "you," their obligations and liabilities must be joint and several. Headings are for reference purposes and do not control interpretation.
25. **Successors.** References to "HOTWORX[®] studio" or "you" include the respective parties' successors, assigns or transferees, subject to the limitations of Section 5 of this Agreement.
26. **Additional Documentation.** You must from time to time, subsequent to the date first set forth above, at HOTWORX[®]'s request and without further consideration, execute and deliver such other documentation or agreement and take such other action as HOTWORX[®] may reasonably require in order to effectuate the transactions contemplated in this Agreement. In the event that you fail to

comply with the provisions of this Section, you hereby appoint HOTWORX® as your attorney-in-fact to execute any and all documents on your behalf, reasonably necessary to effectuate the transactions contemplated herein.

- 27. No Right to Offset.** You may not withhold all or any part of any payment to HOTWORX® or any of its affiliates on the grounds of the alleged nonperformance of HOTWORX® or any of its affiliates or as an offset against any amount HOTWORX® or any of its affiliates may owe or allegedly owe you under this Agreement or any related agreements.
- 28. Entire Agreement.** This Agreement contains the entire agreement between the parties concerning the purchase and exercise of the Option; no promises, inducements or representations (other than those in the Franchise Disclosure Document) have been made, nor shall any be of any force or effect, or binding on the parties. Nothing in this or any related agreement, however, is intended to disclaim the representations HOTWORX® made in the Franchise Disclosure Document that HOTWORX® furnished the Franchisee. Modifications of this Agreement must be in writing and signed by both parties. In the event of a conflict between this Agreement and any Additional Franchise Agreement(s), the terms, conditions and intent of the Additional Franchise Agreement shall control.

IN WITNESS WHEREOF, AND INTENDING TO BE LEGALLY BOUND HEREBY, THE PARTIES HERETO HAVE CAUSED THIS AGREEMENT TO BE EXECUTED EFFECTIVE THE DATE FIRST SET FORTH ABOVE.

HOTWORX® Franchising, LLC

By: _____

Its: _____

Date: _____

This Agreement is not fully executed until signed by [an authorized representative](#) ~~the CEO~~ of HOTWORX® Franchising, LLC:

FRANCHISEE:

Witness: _____ Franchisee: _____

Witness: _____ Franchisee: _____

APPENDIX “A”

AREA DEVELOPMENT AGREEMENT ADDENDUM

1. Development Area:

Your above-described development area (“Development Area”) represents the geographic area within which your future HOTWORX® studio(s), provided you timely exercise your option to develop such studios(s), will be located.

The Development Area is non-exclusive. HOTWORX shall have the right to develop and operate HOTWORX® studio(s) in the Development Area and to grant franchise licenses to others (including through area development agreements), who will operate HOTWORX® studio(s) in the Development Area. HOTWORX reserves the right to, at any time, re-assess development areas, including the number of licenses to be granted within any development area.

The scope of any protected territory for your studio location(s) shall be determined upon the execution of your future lease and defined in accordance with each applicable Franchise Agreement.

2. Number of HOTWORX® Studios to be opened in the Development Area, inclusive of studio under the First Franchise Agreement: _____
3. Principal trademark: HOTWORX®
4. Development Fee: _____
5. Development Schedule: You acknowledge and agree that a material provision of this Area Development Agreement is that the following number of HOTWORX® Studios must be opened and continuously operated by you in the Development Area in accordance with the following Development Schedule:

HOTWORX® Studio Number	Date by Which Franchise Agreement Must Be Signed	Date by Which the HOTWORX® Studio Must Be Opened and Operated by You in the Development Area	Cumulative Number of HOTWORX® Studio to be Opened and Operated by You in the Development Area as of the Date in Preceding Column
1	(Date of this Agreement)	275 days from the effective date of the First Franchise Agreement	1
2	272 days from opening the first location	275 days from the effective date of the Second Franchise Agreement	2

3	272 days from opening the second location	275 days from the effective date of the Third Franchise Agreement	3

For purposes of determining compliance with this Development Schedule, only the HOTWORX® Studio(s) you actually open and continuously operate in the Development Area for at least the first six (6) months after opening will be counted toward the number of HOTWORX® Studios required to be open and operated by you.

IN WITNESS WHEREOF, we and you have signed this Agreement as of the Effective Date set forth above.

FRANCHISOR:

HOTWORX® Franchising, LLC

By: _____

Its: _____

DEVELOPER:

By: _____ By: _____ By: _____

Its: _____ Its: _____ Its: _____

PERSONAL GUARANTY AND AGREEMENT TO BE BOUND PERSONALLY BY THE TERMS AND CONDITIONS OF THE AREA DEVELOPMENT AGREEMENT

In consideration of the execution of the Area Development Agreement (the “Agreement”) between HOTWORX® Franchising, LLC (“we” or “us”) and _____ (the “Developer”), dated _____, and for other good and valuable consideration, the undersigned, surety and guarantor for themselves, their heirs, successors, and assigns, do jointly, individually and severally hereby agree to unconditionally guarantee the performance of the above-named Developer for all obligations under the Agreement (“Personal Guaranty”).

Further, the undersigned, individually and jointly, hereby agrees to be personally bound by each and every condition and term contained in the Agreement and agree that this Personal Guaranty will be construed as though the undersigned and each of them executed an Area Development Agreement containing the identical terms and conditions of this Agreement.

The undersigned waives (1) notice of demand for payment of any indebtedness or nonperformance of any obligations hereby guaranteed; (2) protest and notice of default to any party respecting the indebtedness or nonperformance of any obligations hereby guaranteed; (3) any right he/she may have to require that an action be brought against the Developer or any other person as a condition of liability; and (4) notice of any changes permitted by the terms of the Agreement or agreed to by the Developer.

In addition, the undersigned consents and agrees: (1) the undersigned’s liability will not be contingent or conditioned upon our pursuit of any remedies against the Developer or any other person; (2) such liability will not be diminished, relieved or otherwise affected by the Developer’s insolvency, bankruptcy or reorganization, the invalidity, illegality or enforceability of all or any part of the Agreement, or the amendment or extension of the Agreement with or without notice to the undersigned; and (3) this Personal Guaranty will apply to all modifications to the Agreement of any nature agreed to by Developer with or without the undersigned receiving notice thereof. It is further understood and agreed by the undersigned that the provisions, covenants and conditions of this Personal Guaranty will inure to the benefit of our successors and assigns.

DEVELOPER: _____

PERSONAL GUARANTORS:

Individually

Print Name

Address

City State Zip Code

Telephone

Individually

Print Name

Address

City State Zip Code

Telephone

EXHIBIT H

HOTWORX® FRANCHISING, LLC

FRANCHISE DISCLOSURE DOCUMENT ~~UPON TRANSFER TO AN AUTHORIZED FRANCHISEE~~

TERMINATION OF FRANCHISE AGREEMENT AND RELEASE UPON TRANSFER TO AN AUTHORIZED FRANCHISEE

This Termination of Franchise Agreement and Release (the "Agreement") is made effective this ____ day of _____, 20__ by and between HOTWORX® Franchising, LLC, a Wyoming limited liability company, with its principal offices at 5161 Taravella Road, Marrero, Louisiana 70072 ("Franchisor") and _____ ("Transferor(s)") and _____ ("Transferee(s)").

BACKGROUND

On or about _____, Transferor(s) entered into a franchise agreement (the "Franchise Agreement") with Franchisor for the right to develop and operate a HOTWORX® studio (the "Studio").

Pursuant to the Franchise Agreement, Transferor(s) developed and operated a HOTWORX studio located at _____ (the "Studio").

Transferor(s) has satisfied all conditions of transfer as specified in the Franchise Agreement and now desires to sell the Studio ~~located at _____, to~~ Transferee(s), who has been approved by Franchisor as authorized.

Transferor(s) agrees to pay all royalties, fees and any and all open invoices relating to the Studio incurred while under its ownership upon execution of this Agreement. Furthermore, Transferee(s) agrees to assume all obligations of the Studio as of the effective date of this Agreement. Transferor(s)'s Franchise Agreement, including but not limited to payments of royalties and fees going forward and agrees to assume responsibility for any unpaid amounts due from Transferor(s).

AGREEMENT

In consideration of the mutual promises and covenants contained in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which is acknowledged, and intending to be legally bound, the parties agree as follows:

1. Subject to the terms and conditions contained in this Agreement, the Franchise Agreement and all rights and obligations between Franchisor and Transferor(s) arising from or related to the Franchise Agreement are terminated, effective as of the date of this Agreement.
2. Notwithstanding anything in this Agreement to the contrary, the parties agree that Transferor(s) shall remain bound by all of the post-termination covenants and obligations contained in the Franchise Agreement including, without limitation, those relating to the Confidential Operational Systems Checklist, Confidential Information, Covenants, Confidentiality, Non-Competition

Agreement, and Indemnification Agreement (Sections 5, 12, 18, 19, and 24 and Exhibit 6).

3. Transferor(s) represents and warrants that all of Transferor(s)'s monetary obligations to Franchisor and its subsidiaries and affiliates will be satisfied immediately upon execution of this Agreement.

3.4. Transferee(s) agrees to assume all obligations of the Studio as of the effective date of this Agreement.

4.5. Transferor(s), for itself and all persons and entities claiming by, through or under it, releases, acquits and forever discharges Franchisor and its present and former officers, members, employees, shareholders, directors, agents, servants, representatives, affiliates, successors and assigns (the "Franchisor Releasees") from all obligations, claims, debts, demands, covenants, contracts, promises, agreements, liabilities, costs, attorney's fees, actions or causes of action whatsoever, whether known or unknown, which it, by itself, on behalf of, or in conjunction with any other person, persons, partnership or corporation, have, had or claim to have against the Franchisor Releasees including but not limited to any claims arising out of or in any way related to the Franchise Agreement, including but not limited to the sale of the Franchise Agreement, the development or operation of any HOTWORX® studio, Franchise Fees, and/or Franchisee's association with Franchisor and the HOTWORX® franchise system. This general release does not apply with respect to claims arising under the Washington Franchise Investment Protection Act, RCW 19.100, and the rules adopted thereunder.

5.6. This Agreement constitutes the entire integrated agreement of the parties with respect to the subject matter contained in this Agreement and may not be subject to any modification without the written consent of the parties.

6.7. This Agreement shall be construed under the laws of the State of Louisiana, which laws shall control in the event of any conflict of law.

7.8. This Agreement shall be for the benefit of and binding upon the parties and their respective representatives, successors and assigns.

8.9. Each party acknowledges that the terms of this Agreement have been completely read and are fully understood and voluntarily accepted by each party, after having a reasonable opportunity to retain and confer with counsel. This Agreement is entered into after a full investigation by the parties, and the parties are not relying upon any statements or representations not embodied in this Agreement.

9.10. _____ In the event that Franchisor retains the services of legal counsel to enforce the terms of this Agreement, it shall be entitled to recover all costs and expenses, including reasonable attorney's fees, incurred in enforcing the terms of this Agreement.

10.11. _____ Transferor(s) agrees that it has and had a relationship with HOTWORX® Franchising, LLC at its offices in Louisiana and that, with the exception of Franchisor's right to seek injunctive relief in any appropriate jurisdiction, any action by or against Franchisor arising out of or relating to this Agreement shall be commenced and concluded in the State of Louisiana pursuant to the mediation, arbitration, venue, and jurisdiction provisions of the Franchise Agreement.

11.12. _____ This Agreement may be executed in multiple counterparts by the various parties and the

failure to have the signatures of all parties on a single Agreement shall not affect the validity or enforceability of any part of this Agreement against any party who executes any counterpart of the Agreement. Executed electronic and facsimile copies of this Agreement shall be deemed to be effective as original signatures.

THE NEXT PAGE IS THE SIGNATURE PAGE

I HAVE READ THE ABOVE AGREEMENT AND UNDERSTAND ITS TERMS.

HOTWORX® Franchising, LLC:

Witness: _____

By: _____

TRANSFERORS:

Witness: _____

By: _____

Witness: _____

By: _____

TRANSFEREES:

Witness: _____

By: _____

Witness: _____

By: _____

EXHIBIT I

HOTWORX® FRANCHISING, LLC

FRANCHISE DISCLOSURE DOCUMENT

CONFIDENTIALITY AGREEMENT

I, _____, in consideration of the approval of HOTWORX® Franchising, LLC ("Franchisor"), in acknowledging that I will be provided access to certain confidential information, including, without limitation, certain manuals and/or other information relating to the operation of a HOTWORX® studio franchise ("Confidential Information") before completing my contemplated purchase of such franchise, hereby agree to maintain the confidentiality of all such Confidential Information. In the event that I am unable to consummate the contemplated purchase of the HOTWORX® studio franchise or to otherwise become a HOTWORX® studio franchisee, I shall not disclose any of this Confidential Information to any other person. I further represent and warrant that I shall not use such Confidential Information in any other capacity except as an authorized HOTWORX® studio franchisee. I hereby acknowledge that I shall not reproduce any of the Confidential Information being entrusted to me, nor shall I make any oral or written notes regarding any of the information contained therein.

I acknowledge and agree that disclosure or unauthorized use of any of the Confidential Information presented to me is likely to cause Franchisor immediate and irreparable harm, which is not compensable in money damages. I hereby consent, in the event of my unauthorized use or disclosure of such Confidential Information, to the entry of injunctive relief in favor of Franchisor, including temporary restraining orders and preliminary injunctions, without the requirement of bond.

I HAVE READ THE ABOVE CONFIDENTIALITY AGREEMENT AND UNDERSTAND ITS TERMS.

Dated: _____

By: _____

Dated: _____

By: _____

EXHIBIT J

HOTWORX® FRANCHISING, LLC

FINANCING AGREEMENT

PROMISSORY NOTE

THIS PROMISSORY NOTE (the "Note" or "Agreement") is made as of the last date signed below by and among HOTWORX Franchising, LLC a Wyoming limited liability company ("HOTWORX"), with principal offices located at 5161 Taravella Road, Marrero, Louisiana 70072, or at such other place or places as it or the holders hereof may from time to time hereafter designate in writing, and _____ ("Franchisee"). FRANCHISEE and HOTWORX shall collectively be known herein as "the Parties". In determining the rights and duties of the Parties under this Agreement, the entire document must be read as a whole.

RECITALS

WHEREAS, effective _____, HOTWORX and Franchisee entered into a single unit franchise agreement wherein HOTWORX granted Franchisee one (1) license to develop a HOTWORX® Studio ("Studio") in the _____ designated marketing area ("Franchise Agreement") in exchange for a nonrefundable franchise fee of _____ ("Franchise Fee");

WHEREAS, Franchisee subsequently opened the Studio;

WHEREAS, Franchisee is currently actively marketing the Studio for sale;

WHEREAS, in connection with the development and/or operation of the Studio, Franchisee has become indebted to HOTWORX in the amount of \$ _____ ("Debt");

WHEREAS, Franchisee desires to acknowledge his/its debt to HOTWORX in the amount of \$ _____ and agrees to repay the foregoing Debt to HOTWORX in accordance with the terms herein;

AGREEMENT

In consideration of the mutual promises and covenants contained in this Agreement and intending to be legally bound, the Parties agree as follows:

1. Payment: Franchisee shall have _____ days from the Effective Date of this Agreement to confect a sale of the Studio, whereupon Franchisee shall repay HOTWORX the amount of _____ and 00/100 (\$ _____) ("Debt") with any accrued and unpaid interest with the proceeds resulting from the sale. Franchisee acknowledges and agrees that he/it will accept any good faith, reasonable offer by a third party to purchase the Studio that may be presented to Franchisee. Payment shall be applied first

to accrued interest and then to the Debt.

2. Security: Franchisee acknowledges that this is a secured note. Franchisee agrees that until the Debt, together with accrued interest, is paid in full, this Note will be secured by the Studio equipment and other assets, which are further identified at Exhibit A (“Collateral”), and Franchisee hereby grants to HOTWORX a security interest in and to such property.
3. Interest: The Debt shall bear interest at the rate of seven percent (7%) per annum, accruing daily from the effective date of this Agreement (“Interest”). Notwithstanding, the total Interest charged on the Debt shall not exceed the maximum amount allowed by law and Franchisee shall not be obligated to pay any interest in excess of such amount.
4. Penalty for Late Payment: If Franchisee fails to make payment due under this Note within five (5) days after the due date, Franchisee agrees to pay HOTWORX a late payment fee of a two percent (2%) penalty of the amount then due.
5. Studio Operations: Franchisee agrees to maintain the Studio as fully operational and compliant with HOTWORX’s policies and procedures during the term of this Note.
6. Prepayment: Franchisee has the right to prepay all or any part of the Debt at any time without any penalty of any kind.
7. Costs and Fees: In the event that HOTWORX retains the services of legal counsel to enforce the terms of this Agreement, whether or not involving litigation, collecting upon any judgment and/or bankruptcy proceedings for compromise or other action, or otherwise to protect the interest of the holder or holders, the makers, endorsers, guarantors and sureties agree, jointly and severally, to pay all attorneys' fees incurred for that purpose, or any portion hereof, including Interest.
8. Events of Default: Upon an Event of Default, as defined herein, the entire Debt and accrued Interest, and all other obligations of the Franchisee under this Note, shall be immediately due and payable without any action on the part of HOTWORX, and HOTWORX shall be entitled to seek and institute any and all remedies available to it. No remedy conferred under this Note upon HOTWORX is intended to be exclusive of any other remedy available to HOTWORX, pursuant to the terms of this Note or otherwise. An Event of Default shall be deemed to have occurred upon the occurrence of any of the following:
 - (i) Franchisee’s failure to pay any amount due on the date required under this agreement and failing to cure such default within five (5) days of receipt of written notice of such default.
 - (ii) Franchisee seeks an order of relief under the federal bankruptcy laws.
 - (iii) A federal tax lien is filed against the assets of Franchisee; and/or

(iv) Franchisee's failure to satisfy any other obligations or requirement of Franchisee under this Note and fails to cure such default within five (5) days of receipt of written notice of such default.

9. Waiver: The makers, endorsers, guarantors and sureties of this Note hereby severally waive presentation for payment, demand, notice of nonpayment and protest, all pleas of division and discussion, and consent to any and all extensions of payment.

10. Confession of Judgment: For the purposes of enforcing a privilege in property under the Louisiana executory process procedures, Franchisee confesses judgement and acknowledges to be indebted to and in favor of HOTWORX up to the full amount of the Debt, including principal, interest, default interest, costs, expenses, collection of attorney's fees and any additional sums that HOTWORX may advance as provided under this Agreement. In the event of Default under this Agreement, it shall be lawful for HOTWORX, without making demand, notice, or putting in default, to cause all and singular collateral herein to be seized and sold by the executory process issued by a competent court.

To the extent applicable under Louisiana law, Franchisee additionally waives: (a) the benefit of appraisal as provided in Louisiana Code of Civil Procedure Articles 2332, 2336, 2723, 2724, and all other laws with regard to appraisal upon judicial sale; (b) the notice of seizure as provided under Louisiana Code of Civil Procedure Articles 2293 and 2721; (c) the three (3) days' delay provided under Louisiana Code of Civil Procedure Articles 2331 and 2722; and (d) all other benefits provided under Louisiana Code of Civil Procedure Articles 2331, 2722 and 2723 and all other articles not specifically mentioned above. Franchisee agrees that HOTWORX shall have all of the additional enforcement rights and remedies of a secured party under the Louisiana Commercial Laws (La.R.S. Title 10) and under the Uniform Commercial Code of any applicable state with respect to the UCC Collateral wherever located. Franchisee further agrees that any declarations of fact made under an authentic act before a Notary Public in the presence of two witnesses by a person declaring such facts to lie within their knowledge, shall constitute authentic evidence for purposes of executory process and also for purposes of La.R.S. 9:3509.1, 9:3504(D)(6), and 10:9-508. Except as otherwise expressly provided in this Agreement, Franchisee is herein and hereby bound and obligated not to sell, alienate, mortgage or encumber the Collateral, or any part thereof, to the prejudice of this agreement, and not to permit or suffer the same to be so sold, alienated, deteriorated or encumbered.

11. Guaranty: Franchisee acknowledges that the Personal Guaranty located at Exhibit 3 to the Franchise Agreement as executed by Franchisee extends to Franchisee's obligations under this Agreement.

12. Assignment: Franchisee may not assign its rights or delegate its duties under this Note without HOTWORX's prior written consent.
13. Governing Law and Venue: This Agreement shall be governed by the laws of Louisiana, without regard to its conflict of laws, La. Civ. Code arts. 3515 et seq., and any amendments and/or revisions thereto. Franchisee agrees that he/it has had a relationship with HOTWORX® Franchising, LLC at its offices in Louisiana and that, with the exception of HOTWORX's right to seek injunctive relief in any appropriate jurisdiction, any action arising out of or relating to this Agreement shall be commenced and concluded in the State of Louisiana.
14. Severability: If any provision of this Agreement is, for any reason, invalid or unenforceable, the remaining provisions of this Agreement will nevertheless be valid and enforceable and will remain in full force and effect. Any provision of this Note that is held invalid or unenforceable by a court of competent jurisdiction will be deemed modified to the extent necessary to make it valid and enforceable and as so modified will remain in full force and effect.
15. Further Assurances: Both parties hereto will execute all documents and take such other actions as the other Party may reasonably request in order to consummate the transactions provided for herein and to accomplish the purposes of this Note.
16. It is further understood and agreed that the terms of this Agreement are contractual and are not mere recitals, and the Parties state and warrant that they have discussed this Agreement with their attorneys, the Parties are not relying upon any statements or representations not embodied in this Agreement, that they have read all of the terms of this Agreement, they understand them, and they intend to be legally bound thereby. This Agreement is a complete and final agreement between the Parties as to the matters set forth herein.
17. Counterparts: This Agreement may be executed in multiple counterparts by the various Parties and the failure to have the signatures of all Parties on a single Agreement shall not affect the validity or enforceability of any part of this Agreement against any party who executes any counterpart of the Agreement. Executed facsimile and electronic copies of this Agreement shall be deemed to be effective as original signatures.
18. Franchisee shall make all payments called for under this Agreement by sending check or other negotiable instrument made payable to HOTWORX at the address indicated above.
19. This Agreement will become effective as of the last date signed below ("Effective Date").

[SIGNATURES ON FOLLOWING PAGE]

"NE VARIETUR"

Signed, sealed and delivered in the presence

of: _____

NOTARY PUBLIC

FRANCHISEE:

By: _____

DATE: _____

FRANCHISEE:

DATE: _____

HOTWORX Franchising, LLC

By: _____

Stephen P. Smith

CEO

DATE: _____

EXHIBIT A – COLLATERAL

[PAGE INTENTIONALLY LEFT BLANK.]

EXHIBIT KJ

**HOTWORX® FRANCHISING, LLC
FRANCHISE DISCLOSURE DOCUMENT**

STATE SPECIFIC ADDENDA

Important Notice: HOTWORX® Franchising, LLC’s Franchise Disclosure Document (“FDD”) contains information required by the Federal Trade Commission and the states included in the following addenda. This information is being provided to you at the same as the FDD, and must be reviewed in conjunction with the FDD.

**ADDENDUM TO HOTWORX® FRANCHISING, L.L.C.
FRANCHISE DISCLOSURE DOCUMENT
REQUIRED BY THE STATE OF CALIFORNIA**

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

THESE FRANCHISES HAVE BEEN REGISTERED UNDER THE FRANCHISE INVESTMENT LAW OF THE STATE OF CALIFORNIA. SUCH REGISTRATION DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE COMMISSIONER OF FINANCIAL PROTECTION AND INNOVATION NOR A FINDING BY THE COMMISSIONER THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE AND NOT MISLEADING.

This addendum includes numerous disclosures required by the State of California. To the extent these disclosures are preempted by federal law or any other law, these disclosures may not be enforceable. Therefore, prospective franchisees are encouraged to consult private legal counsel to determine the applicability of California and federal laws to any provisions of a franchise agreement, including but not limited to those restricting venue to a forum outside the State of California and those limiting the use of arbitration.

In recognition of the requirements of the California Franchise Investment Law, Cal. Corporations Code Sections 31000 *et seq.* the Franchise Disclosure Document for HOTWORX® Franchising, L.L.C. for use in the State of California shall be amended as follows:

The “Special Risks to Consider About *This Franchise*” page is supplemented to include the following:

1. The franchise agreement states that Louisiana law governs the agreement, and this law may not provide the same protection and benefits as local law. You may want to compare these laws.
2. **Use of Franchise Brokers.** The franchisor uses the services of franchise brokers to assist in selling franchises. A franchise broker represents the franchisor and is paid a fee for referring prospects to the franchisor and/or selling the franchise. Do not rely only on the information provided by a franchise broker about a franchise. Do your own investigation by contacting the franchisor’s current and former franchisees and ask them about their experience with the franchisor.
3. There may be other risks concerning this franchise.

Items 2 and 3 of the FDD are supplemented to include the following:

Neither the franchisor, any person or franchise broker in Item 2 of the FDD is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities Exchange Act of 1934, 15 U.S.C.A. 78a, *et seq.*, suspending or expelling such persons from membership in such association or exchange.

Item 17 of the FDD shall be supplemented to include the following:

California Business and Professions Code sections 20000 through 20043 establish the rights of the franchisee concerning termination, transfer or non-renewal of a franchise. If the franchise agreement contains a provision that is inconsistent with the law, the law provided for under California Business & Professions Code Sections 20000 through 20043 will control.

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

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

To the extent the franchise agreement contains a liquidated damages clause. Under California Civil Code Section 1671, certain liquidated damages may be unenforceable.

The franchise agreement may require binding arbitration if other methods of resolution are unsuccessful.

Pursuant to the franchise agreement, at franchisor's option, all disputes and claims relating to the franchise agreement or any ancillary agreement entered into between the parties, the rights and obligations of the parties, or any other claims or causes of action relating to the making, interpretation, or performance of either party under this Agreement, shall be settled by arbitration in Jefferson Parish, Louisiana in accordance with the Federal Arbitration Act and the Commercial Arbitration Rules of the American Arbitration Association. Any arbitration proceeding, or any claim in arbitration (including any defense and any claim of setoff or recoupment), must be brought or asserted before the expiration of the earlier of (1) the time period for bringing an action under any applicable state or federal statute of limitation; (2) 1 year after the date upon which a party discovered or should have discovered, the facts giving rise to an alleged claim; or (3) 2 years after the first act or omission giving rise to an alleged claim. Claims of Franchisor attributable to the underreporting of sales and claims of the parties for indemnification shall be subject only to the applicable state or federal statute of limitation.

The franchise agreement requires legal proceedings, including binding arbitration, to occur in Jefferson Parish, Louisiana with each party bearing its own cost of arbitration including, but not limited to, the fee for their respective

arbitrator; provided, however, that the neutral or single arbitrator's fee shall be shared equally by both parties. Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040.5, Code of Civil Procedure Section 1281, and the Federal Arbitration Act) to any provision of a franchise agreement that restricts venue to a forum outside the State of California.

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

The franchise agreement requires application of the laws of the State of Louisiana and that the venue for any dispute shall be in the State of Louisiana. This provision may not be enforceable under California law.

Section 31125 of the California Corporation Code requires the franchisor to give the franchisee a disclosure document, in a form and containing such information as the Commissioner may by rule or order require, prior to a solicitation of a proposed material modification of an existing franchise.

The franchise agreement requires you sign a release if you transfer your franchise. This franchise agreement provision may not be enforceable under California law. California Corporations Code 31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code 31000 through 31516). Business and Professions Code 20010 voids a waiver of your rights under the Franchise Relations Act (Business Professions Code 20000 through 20043).

The franchise agreement contains a waiver of punitive damages and jury trial, these provisions may not be enforceable.

Item 19:

To the extent that the Franchised Outlets Financial Performance Representations of the franchise disclosure document contain financial representations that do not reflect the cost of sales, operating expenses or other costs of expenses that must be deducted from the gross revenue or gross sales figures to obtain your net income or profit compared to the franchised outlets, you should conduct an independent investigation of the costs and expenses you will include in operating your HOTWORX® Franchising, L.L.C. outlet. Franchisees or former franchisees, listed in the disclosure document, may be one source of this information.

OUR WEBSITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION. ANY COMPLAINTS

CONCERNING THE CONTENT OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION (DFPI) at www.dfpi.ca.gov.

**ADDENDUM TO HOTWORX® FRANCHISING, L.L.C.
FRANCHISE DISCLOSURE DOCUMENT
REQUIRED BY THE STATE OF HAWAII**

THESE FRANCHISES HAVE BEEN FILED UNDER THE FRANCHISE INVESTMENT LAW OF THE STATE OF HAWAII. FILING DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE DIRECTOR OF REGULATORY AGENCIES OR A FINDING BY THE DIRECTOR OF REGULATORY AGENCIES THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE AND NOT MISLEADING.

THE FRANCHISE INVESTMENT LAW MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE IN THIS STATE WITHOUT FIRST PROVIDING TO THE PROSPECTIVE FRANCHISEE, OR SUBFRANCHISOR, AT LEAST SEVEN DAYS PRIOR TO THE EXECUTION BY THE PROSPECTIVE FRANCHISEE OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST SEVEN DAYS PRIOR TO THE PAYMENT OF ANY CONSIDERATION BY THE FRANCHISEE, OR SUBFRANCHISOR, WHICHEVER OCCURS FIRST, A COPY OF THE OFFERING CIRCULAR, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE.

THIS DISCLOSURE DOCUMENT CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT. THE CONTRACT OR AGREEMENT SHOULD BE REFERRED TO FOR A STATEMENT OF ALL RIGHTS, CONDITIONS, RESTRICTIONS AND OBLIGATIONS OF BOTH THE FRANCHISOR AND THE FRANCHISEE.

For franchises and franchisees subject to the Hawaii Franchise Disclosure Law, the following information supersedes or supplements, as the case may be, the corresponding disclosures in the main body of the text of the HOTWORX® Franchising, L.L.C. Franchise Disclosure Document.

Items 5 and 7:

Items 5 and 7 of the disclosure document are amended to include the following disclosure:

The State of Hawaii may require us to defer payment of the initial franchise fee and other initial payments owed by franchisees to the franchisor until the franchisor has completed its pre-opening obligations under the franchise agreement and the HOTWORX® studio has opened.

Item 8:

Item 8 of the disclosure document is amended to include the following disclosure:

The Hawaii Franchise Investment Law, HI Rev. Stat. § 482E-6(2)(B), governing the relationship between a franchisor or subfranchisor and its franchisee, makes an unfair or deceptive act or practice or an unfair method of competition for a franchisor or subfranchisor to require a franchisee to purchase or lease goods or services of the franchisor or from designated sources of supply unless such restrictive purchasing agreements are reasonably necessary for a lawful purpose justified on business grounds. Suppliers suggested or approved by a franchisor ~~as meeting its standard~~ as meeting its standards and requirements shall not be deemed designated sources of supply. To the extent any provisions of the Franchise Agreement or business practices of HOTWORX® Franchising, L.L.C. conflict with Hawaii law, Hawaii's laws will control.

The Hawaii Franchise Investment Law, HI Rev. Stat. § 482E-6(2)(D), governing the relationship between a franchisor or subfranchisor and its franchisee, makes an unfair or deceptive act or practice or an unfair method of competition for a franchisor to obtain money, goods, services, anything of value, or any other benefit from any other person with whom the franchisee does business on account of such business unless the franchisor advises the franchisee in advance of the franchisor's intention to receive such benefit. To the extent any provisions of the Franchise Agreement or business practices of HOTWORX® Franchising, L.L.C. conflict with Hawaii law, Hawaii's laws will control.

Item 12:

Item 12 of the disclosure document is amended to include the following disclosure:

The Hawaii Franchise Investment Law, HI Rev. Stat. § 482E-6(2)(E), governing the relationship between a franchisor or subfranchisor and its franchisee, makes an unfair or deceptive act or practice or an unfair method of competition for a franchisor to establish a similarly business or to grant a franchise for the establishment of a similar business at a location within a geographic area specifically designated as the exclusive territory in a franchise previously granted to another franchisee in a currently effective agreement, except under the circumstances or conditions prescribed in such agreement. To the extent any provisions of the Franchise Agreement or business practices of HOTWORX® Franchising, L.L.C. conflict with Hawaii law, Hawaii's laws will control.

Item 17:

Item 17 of the disclosure document is amended to include the following disclosure:

The Hawaii Franchise Investment Law, HI Rev. Stat. § 482E-6(2)(E), governing the relationship between a franchisor or subfranchisor and its franchisee, makes an unfair or deceptive act or practice or an unfair method of competition for a franchisor to refuse to permit a transfer of ownership of a franchise, or of a proprietorship, partnership, corporation or other business entity that is a franchisee or subfranchisor, except for good cause. For purposes of this paragraph good cause shall include, but not be limited to:

- (i) The failure of a proposed transferee to meet any of the franchisor's or subfranchisor's reasonable qualifications or standards then in effect for a franchisee or subfranchisor;
- (ii) The fact that the proposed transferee or any affiliated person of the proposed transferee is a competitor of the franchisor or subfranchisor;
- (iii) The inability or unwillingness of the proposed transferee to agree in writing to comply with and be bound by all lawful obligations imposed by the franchise, including without limitation all instruction and training obligations, and to sign the current form of franchise agreement used by the franchisor or subfranchisor; and
- (iv) The failure of the franchisee or proposed transferee to pay any sums owing to the franchisor and to cure any default in the franchise agreement or other agreements with the franchisor existing at the time of the proposed transfer.

A franchisor or subfranchisor shall have thirty days (30 days) after being notified in writing of a proposed transfer to approve or disapprove in writing a proposed transfer of ownership or control of a franchise, or of a proprietorship, partnership, corporation or other business entity that is a franchisee or subfranchisor, stating its reason for disapproval. If a franchisor or subfranchisor fails to approve or disapprove a proposed transfer in writing within such period, the franchisor or subfranchisor shall be deemed to have approved such transfer.

To the extent any provisions of the Franchise Agreement or business practices of HOTWORX® Franchising, L.L.C. conflict with Hawaii law, Hawaii's laws will control.

The Hawaii Franchise Investment Law, HI Rev. Stat. § 482E-6(2)(F), governing the relationship between a franchisor or subfranchisor and its franchisee, makes an unfair or deceptive act or practice or an unfair method of competition for a franchisor to require a franchisee at the time of entering into a franchise to assent to a release, assignment, novation, or waiver which would relieve any person from liability imposed by the Hawaii Franchise Investment Law. Any condition, stipulation or provision binding any person acquiring any franchise to waive compliance with any provision of the Hawaii Franchise Investment Law or a rule promulgated hereunder shall be void. This paragraph shall not bar or affect the settlement of disputes, claims or civil suits arising or brought under this chapter.

Franchisee's Initials/Date

Franchisor's Initials/Date

**ADDENDUM TO HOTWORX® FRANCHISING, L.L.C.
FRANCHISE DISCLOSURE DOCUMENT, FRANCHISE AGREEMENT AND AREA
DEVELOPMENT AGREEMENT
REQUIRED BY THE STATE OF ILLINOIS**

For franchises and franchisees subject to the Illinois Franchise Disclosure Act, the following information supersedes or supplements, as the case may be, the corresponding disclosures in the main body of the text of the HOTWORX® Franchising, L.L.C. Franchise Disclosure Document, the Franchise Agreement, and Area Development Agreement attached thereto.

Illinois law governs the Franchise Agreement(s).

In conformance with Section 4 of the Illinois Franchise Disclosure Act, any provision in the franchise agreement and/or area development agreement that designates jurisdiction and venue in a forum outside of the State of Illinois is void. However, a franchise agreement and/or area development agreement may provide for arbitration to take place outside of Illinois.

Your rights upon Termination and Non-Renewal are set forth in sections 19 and 20 of the Illinois Franchise Disclosure Act.

In conformance with section 41 of the Illinois Franchise Disclosure Act, any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act **or any other laws of Illinois** is void.

Item 17:

Item 17 of the disclosure document is amended to include the following disclosure:

- (a) It shall be a violation of the Illinois Franchise Disclosure Act to terminate a franchise of a franchised business located in the State of Illinois prior to the expiration of its term exception for “good cause” as is provided for in Illinois Franchise Act, 815 Ill. Comp. Stat. Ann. 705/19 and may be affected by Illinois law, 815 ILCS 7051-44:
- (b) “Good cause” shall include, but not be limited to, the failure of the franchisee to comply with any lawful provisions of the franchise or other agreement and to cure such default after being given notice thereof and a reasonable opportunity to cure such default, which in no event need be more than 30 days.
- (c) “Good cause” shall include, but without the requirement of notice and an opportunity to cure, situations in which the franchisee:
 - a. makes an assignment for the benefit of creditors or a similar disposition of the assets of the franchise business;

- b. voluntarily abandons the franchise business;
- c. is convicted of a felony or other crime which substantially impairs the good will associated with the franchisor's trademark, service mark, trade name or commercial symbol; or
- d. repeatedly fails to comply with the lawful provisions of the franchise or other agreement.

Item 17 of the disclosure document is amended to include the following disclosure:

It shall be a violation of the Illinois Franchise Disclosure Act for a franchisor to refuse to renew a franchise of a franchised business located in the State of Illinois without compensating the franchisee either by repurchase or by other means for the diminution in the value of the franchised business caused by the expiration of the franchise where:

- (a) the franchisee is barred by the franchise agreement (or by the refusal of the franchisor at least 6 months prior to the expiration date of the franchise to waive any portion of the franchise agreement which prohibits the franchisee) from continuing to conduct substantially the same business under another trademark, service mark, trade name or commercial symbol in the same area subsequent to the expiration of the franchise; or
- (b) the franchisee has not been sent notice of the franchisor's intent not to renew the franchise at least 6 months prior to the expiration date or any extension thereof of the franchise.

Illinois Franchise Act, 815 Ill. Comp. Stat. Ann. 705/20.

Any condition, stipulation, or provision purporting to bind any person acquiring any franchise to waive compliance with any provisions of the Illinois Franchise Disclosure Act or any other law of the State of Illinois is void. Illinois Franchise Act, 815 Ill. Comp. Stat. Ann. 705/41. This prohibition against waiver includes, but is not limited to, statements involving unregistered earnings claims, timely disclosure, warranty, material misrepresentations or limitation of liability. 14 Ill. Adm. Code 200.609.

To the extent that the disclosure document is inconsistent with Illinois law, the inconsistent terms of the Franchise Agreement will not be enforced and the terms of the applicable Illinois law shall apply.

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

**AMENDMENT TO HOTWORX® FRANCHISING, L.L.C.
FRANCHISE AGREEMENT AND AREA DEVELOPMENT AGREEMENT
REQUIRED BY THE STATE OF ILLINOIS**

For franchises and franchisees subject to the Illinois Franchise Disclosure Act, the following information supersedes or supplements, as the case may be, the corresponding disclosures in the main body of the text of the HOTWORX® Franchising, L.L.C. Franchise Agreement attached thereto.

This Amendment shall pertain to franchises sold in the State of Illinois and shall be for the purpose of complying with Illinois statutes and regulations. Notwithstanding anything which may be contained in the body of the Franchise Agreement (“Agreement”) and/or the Area Development Agreement (“ADA”) to the contrary, the Agreement shall be amended as follows:

1. Sections 25.1 of the Agreement entitled “Governing Law” and 25.4 entitled “Arbitration” are both supplemented by the following provision:

Illinois franchisees are allowed access to Illinois courts. Any provision in this Agreement that provides for a choice of law provision for any state other than Illinois is void. 14 Ill. Adm. Code 200.608. Any provision in this Agreement that designates jurisdiction or venue in a forum outside the State of Illinois is void, provided that a franchise agreement may provide for arbitration in a forum outside of the State of Illinois. Illinois Franchise Act, 815 Ill. Comp. Stat. Ann. 705/4.

2. Section 25.7 of the Agreement and Section 17 of the ADA shall be replaced with the following:

Any provision of the Franchise Agreement which designates jurisdiction or venue outside of Franchisee’s state is void with respect to any cause of action which otherwise is enforceable in Franchisee’s state, provided that Franchise Agreement may provide for arbitration outside of Franchisee’s state.

3. The Agreement is supplemented with the following:

Any condition, stipulation, or provision purporting to bind any person acquiring any franchise to waive compliance with any provisions of the Illinois Franchise Disclosure Act or any other law of the State of Illinois is void. Illinois Franchise Act, 815 Ill. Comp. Stat. Ann. 705/41. This prohibition against waiver includes, but is not limited to, statements involving unregistered earnings claims, timely disclosure, warranty, material misrepresentations or limitation of liability. 14 Ill. Adm. Code 200.609.

4. To the extent that the Agreement is inconsistent with Illinois law, the inconsistent terms of the Franchise Agreement will not be enforced and the terms of the applicable Illinois law shall apply.

Franchisee's Initials/Date

Franchisor's Initials/Date

**AMENDMENT TO HOTWORX® FRANCHISING, L.L.C.
FRANCHISE AGREEMENT
REQUIRED BY THE STATE OF INDIANA**

This Amendment shall pertain to franchises sold in the State of Indiana and shall be for the purposes of complying with Indiana statutes and regulations. Notwithstanding anything which may be contained in the body of the Franchise Agreement to the contrary, the Agreement shall be amended as follows:

1. Section 1 of the Franchise Agreement entitled “Franchise Grant” is supplemented by the following provision:

Ind. Code §§ 23-2-2.7-1(2) and 23-2-2.7-2(4) prohibit both any provision in a franchise agreement allowing the franchisor to and the practice of a franchisor in establishing franchisor-owned outlet engaged in a substantially identical business to that of the franchisee within the exclusive territory granted the franchisee by the franchise agreement; or, if no exclusive territory is designated, permitting the franchisor to compete unfairly with the franchisee within a reasonable area. To the extent any provisions of the Franchise Agreement or any business practices of HOTWORX® Franchising, L.L.C. conflict with Indiana law, Indiana’s laws will control.

2. Section 21.3 of the Franchise Agreement entitled “Conditions for Transfer” is supplemented by the following provision:

To the extent you are required to execute a release in favor of HOTWORX® Franchising, LLC, such release shall exclude liabilities arising under the Indiana Deceptive Franchise Practices Law, Ind. Code §23-2-2.7-1 (5).

3. Ind. Code § 23-2-2.7-1(10) prohibits any provision in the Franchise Agreement with limit litigation brought for breach of the Agreement in any manner whatsoever. To the extent that any provision of the Franchise Agreement conflicts with Indiana Code § 23-2-2.7-1 (10), Indiana law will control.

4. Section 19.2 of the Agreement entitled “Indemnification” is supplemented, to the extent required by the laws of the State of Indiana, by the following provision:

provided, however, such indemnification obligations shall exclude liability caused by your proper reliance on or use of procedures or materials provided by HOTWORX® Franchising, L.L.C. or HOTWORX® Franchising L.L.C.’s negligence.

5. Section 18.2 of the Agreement entitled “After the Term of this Agreement” is supplemented by the following provision:

Notwithstanding the above, the covenant not to compete is limited to your Protected Territory under this agreement.

6. Section 21.4 of the Agreement entitled “Death or Disability” is supplemented by the following provision:

Ind. Code § 23-2-2.7-2(3) makes it unlawful for a franchisor to deny the surviving spouse, heirs, or estate of a deceased franchisee the opportunity to participate in the ownership of the franchise under a valid franchise agreement for a reasonable time after the death of the franchisee, provided that the surviving spouse, heirs or estate maintain all standards and obligations of the franchise.

Further, the term “6 months” shall replace any shorter term in Section 21.4.

7. Section 25.1 of the Agreement entitled “Governing Law” is supplemented by the following provision;

However, the foregoing choice of law should not be considered a waiver of any right conferred upon you by the provisions of the Indiana Franchise Disclosure Law or the Indiana Deceptive Franchise Practice Law with respect to the offer and sale of a franchise and the franchise relationship. Notwithstanding anything in this Agreement to the contrary, this Agreement shall be governed by the Indiana Franchise Disclosure Law and the Indiana Franchise Deceptive Franchise Practices Law, Ind. Code §§ 23-2-2.5 and 23-2-2.7.

8. Sections 25.1 of the Agreement entitled “Governing Law” and 25.4 entitled “Arbitration” are both supplemented by the following provision:

Indiana franchisees are allowed access to Indiana courts. Any provision in this Agreement which designates jurisdiction or venue or requires the franchisee to agree to jurisdiction or venue in a forum outside of Indiana with respect to any matter governed by the Indiana Franchise Disclosure Law, Ind. Code § 23-2-2.5, and the Indiana Deceptive Franchise Practices Law, Ind. Code § 23-2-2.7, are void.

Franchisee’s Initials/Date

Franchisor’s Initials/Date

**ADDENDUM TO HOTWORX® FRANCHISING, L.L.C.
FRANCHISE DISCLOSURE DOCUMENT
REQUIRED BY THE STATE OF INDIANA**

For franchises and franchisees subject to the Indiana Franchise Disclosure Law and the Indiana Deceptive Franchise Practice Law, the following information supersedes or supplements, as the case may be, the corresponding disclosures in the main body of the text of the HOTWORX® Franchising, L.L.C. Disclosure Document.

Item 8:

Item 8 of the Franchise Disclosure Document is amended to include the following disclosure:

The Indiana Deceptive Franchise Practices Law, Ind. Code § 23-2-2.7-1(4) makes it unlawful for any franchise agreement entered into between any franchisor and a franchisee who is either a resident of Indiana or a nonresident who will be operating a franchise in Indiana to contain a provision which allows the franchisor to obtain money, goods, services, or any other benefit from any other person with whom the franchisee does business, on account of, or in relating to, the transaction between the franchisee and the other person, other than for compensation for services rendered by the franchisor, unless the benefit is promptly accounted for, and transmitted to the franchisee.

The Indiana Deceptive Franchise Practices Law, Ind. Code § 23-2-2.7-2(6) makes it unlawful for a franchisor to obtain money, goods, services, or any other benefit from any other person with whom the franchisee does business, on account of, or in relation to, the transactions between the franchisee and the other person, other than compensation for services rendered by the franchisor, unless the benefit is promptly accounted for, and transmitted to the franchisee. To the extent any provisions of the Franchise Agreement or business practices of HOTWORX® Franchising, L.L.C. conflict with Indiana law, Indiana's laws will control.

Item 9:

Item 9 of the Franchise Disclosure Document is amended to include the following disclosure:

The Indiana Deceptive Franchise Practices Law, Ind. Code § 23-2-2.7-1(3) makes it unlawful for any franchise agreement entered into between any franchisor and a franchisee who is either a resident of Indiana or a nonresident who will be operating a franchise in Indiana to contain a provision which allows substantial modification of the franchise agreement by the franchisor without the consent in writing of the franchisee. To the extent any provisions of the Franchise Agreement conflict with Indiana law, Indiana's laws will control.

Item 12:

Item 12 of the Franchise Disclosure Document is amended to include the following disclosure:

The Indiana Deceptive Franchise Practices Law, Ind. Code § 23-2-2.7-1(2) makes it unlawful for any franchise agreement entered into between any franchisor and a franchisee who is either a resident of Indiana or a nonresident who will be operating a franchise in Indiana to contain a provision which allows the franchisor to establish a franchisor-owned outlet engaged in a substantially identical business to that of the franchisee within the exclusive territory granted the franchisee by the franchise agreement; or, if no exclusive territory is designated, permitting the franchisor to compete unfairly with the franchisee within a reasonable area.

The Indiana Deceptive Franchise Practices Law, Ind. Code § 23-2-2.7-2(4) makes it unlawful, with limited exception, for any franchisor who has entered into any franchise agreement with a franchisee who is either a resident of Indiana or a nonresident operating a franchise in Indiana to establish a franchisor-owned outlet engaged in a substantially identical business to that of the franchisee within the exclusive territory granted the franchisee by the franchise agreement. To the extent any provisions of the Franchise Agreement or any business practices of HOTWORX® Franchising, L.L.C. conflict with Indiana law, Indiana's laws will control.

Item 17:

Item 17 of the Franchise Disclosure Document is amended to include the following disclosure:

The Indiana Deceptive Franchise Practices Law, Ind. Code § 23-2-2.7-1(9) makes it unlawful for any franchise agreement entered into between any franchisor and a franchisee who is either a resident of Indiana or a nonresident who will be operating a franchise in Indiana to contain a provision which requires a franchisee covenant not to compete with the franchisor in an area greater than the exclusive area granted by the franchise agreement. To the extent any provisions of the Franchise Agreement conflict with Indiana law, Indiana's laws will control.

The post term covenant not to compete is limited to your non-exclusive area under the Franchise Agreement pursuant to Ind Code §23-2-2.7-1(9).

The Indiana Deceptive Franchise Practices Law, Ind. Code § 23-2-2.7-1(10) makes it unlawful for any franchise agreement entered into between any franchisor and a franchisee who is either a resident of Indiana or a nonresident who will be operating a franchise in Indiana to contain a provision which limits litigation brought for breach of

the agreement in any manner whatsoever. To the extent any provisions of the Franchise Agreement conflict with Indiana law, Indiana’s laws will control.

The choice of law provisions contained in the Franchise Agreement should not be considered a waiver of any right conferred upon you by the provisions of the Indiana Franchise Disclosure Law or the Indiana Deceptive Franchise Practices Law with response to the offer and sale of a franchise and the franchise relationship. Notwithstanding anything in the Agreement to the contrary, the Franchise Agreement shall be governed by the Indiana Franchise Disclosure Law, Ind. Code § 23-2-2.5, and the Indiana Deceptive Franchise Practices Law, Ind. Code § 23-2-2.7.

Indiana franchisees are allowed access to Indiana courts. Any provision in the Franchise Agreement which designates jurisdiction or venue or requires the franchisee to agree to jurisdiction or venue in a forum outside of Indiana with respect to any matter governed by the Indiana Franchise Disclosure Law, Ind. Code § 23-2-2.5, and the Indiana Deceptive Franchise Practices Law, Ind. Code § 23-2-2.7, are void.

The Indiana Franchise Disclosure Law, Ind. Code § 23-2-2.5, and the Indiana Deceptive Franchise Practices Law, Ind. Code § 23-2-2.7, make it unlawful for a Franchise Agreement to contain provisions which require franchisee’s prospective consent to automatic injunctive relief for the franchisor and those providing that the franchisor may obtain injunctive relief without the necessity of post a bond. To the extent any provisions of the Franchise Agreement conflict with Indiana law, Indiana’s laws will control.

The Indiana Deceptive Franchise Practices Law, Ind. Code § 23-2-2.7-2(3) makes it unlawful for a franchisor to deny the surviving spouse, heirs, or estate of a deceased franchisee the opportunity to participate in the ownership of the franchise under a valid franchise agreement for a reasonable time after the death of the franchisee, provided that the surviving spouse, heirs, or estate maintains all standards and obligations of the franchise. To the extent any provisions of the Franchise Agreement conflict with Indiana law, Indiana’s laws will control.

Franchisee’s Initials/Date

Franchisor’s Initials/Date

**AMENDMENT TO HOTWORX® FRANCHISING, L.L.C.
FRANCHISE AGREEMENT
REQUIRED BY THE STATE OF MARYLAND**

This Amendment shall pertain to franchises sold in the State of Maryland and shall be for the purposes of complying with Maryland statutes and regulations. Notwithstanding anything which may be contained in the body of the Franchise Agreement to the contrary, the Agreement shall be amended as follows:

1. Pursuant to Code of Maryland Regulations section 02.02.08.16L, any general release required of the franchisee as a condition of renewal, sale, assignment and/or transfer shall not apply to any release from liability under the Maryland Franchise Registration and Disclosure Law. Section 4.2.8 of the Franchise Agreement is amended accordingly.
2. Section 25.1 of the Agreement entitled “Governing Law” is supplemented by the following provision;

However, the foregoing choice of law should not be considered a waiver of any right conferred upon you by the provisions of Maryland Franchise Law. Pursuant to Md. Code Regs. 02.02.08.16, the franchisor may not require the franchisee to waive the franchisee’s right to file a lawsuit alleging a cause of action under the Maryland Franchise Law in any court of competent jurisdiction in the State of Maryland.

3. The franchise agreement is so amended such that any provision that, as a condition of sale of a franchise, requires a prospective franchisee to agree to a release, assignment, novation, waiver, or estoppel that would relieve a person from liability is void under Md. Code Ann., Bus. Reg. § 14.
4. Section 14-227 of the Maryland Franchise Registration and Disclosure Law provides that any action brought under the Maryland Franchise Registration and Disclosure Law must be brought within three years after the grant of the franchise.
5. Section 14-216(c)(25) of the Maryland Franchise Registration and Disclosure Law requires the franchisor to file an irrevocable consent to be sued in Maryland. Accordingly, section 25.1 of the Franchise Agreement is amended to provide that you may file a lawsuit alleging a cause of action arising under the Maryland Franchise Registration and Disclosure Law in any court of competent jurisdiction within the State of Maryland.
6. Section 23.2.1 of the Franchise Agreement provides that HOTWORX® Franchising, LLC may terminate you if you file a petition in bankruptcy or bankruptcy proceedings are commenced naming you the debtor. These provisions may not be enforceable under federal bankruptcy law.

7. 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 franchisee.

Franchisee(s) Signature/Date

Franchisor Signature/Date

**ADDENDUM TO HOTWORX® FRANCHISING, L.L.C.
FRANCHISE DISCLOSURE DOCUMENT
REQUIRED BY THE STATE OF MARYLAND**

This Addendum shall pertain to franchises sold in the State of Maryland and shall be for the purposes of complying with Maryland statutes and regulations. Notwithstanding anything which may be contained in the body of the Franchise Disclosure Document to the contrary, the Franchise Disclosure Document shall be amended as follows:

Registration with the Securities Commissioner in the Office of the Maryland Attorney General is not approval, recommendation, or endorsement by the Commissioner. Md. Code Ann., Bus. Reg. § 14-216(b)

Item 17:

The following is added to Item 17 of the Franchise Disclosure Document in accordance with the Md. Code Regs. 02.02.08.04(B)(3):

To the extent the Franchise Agreement provides for the termination of the franchise upon bankruptcy of the franchisee, this provision may not be enforceable under federal bankruptcy law.

Items 17 and 19:

The following is added to Items 17 and 19 of the Franchise Disclosure Document in accordance with the Md. Code Regs. 02.02.08.04(B)(3):

The franchisor may not require the franchisee to assent to a period of limitations for causes of action under the Maryland Franchise Law, Business Regulations Article, § 14-226, Annotated Code of Maryland, other than the period of limitations set forth in that statute.

Items 17(v) and 19:

Any lawsuit permitted under the Maryland franchise law shall be brought in the federal or state courts located in the State of Maryland.

The Franchise Disclosure Document is further amended such that,

Any provision that, as a condition of sale of a franchise, requires a prospective franchisee to agree to a release, assignment, novation, waiver, or estoppel that would relieve a person from liability is void under Md. Code Ann., Bus. Reg. § 14.

The Securities Commissioner in the Office of the Maryland Attorney General is authorized to examine the franchisor's/applicant's financial records that related to the sale of franchises pursuant to Md. Code Ann., Bus. Reg. § 14-216(c)(24).

The franchisor provides its irrevocable consent to be sued in the State of Maryland pursuant to Md. Code Ann., Bus. Reg. § 14-216(c)(25).

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 franchisee.

Franchisee's Initials/Date

Franchisor's Initials/Date

**ADDENDUM TO HOTWORX® FRANCHISING, L.L.C.
FRANCHISE DISCLOSURE DOCUMENT
REQUIRED BY THE STATE OF MICHIGAN**

This Addendum shall pertain to franchises sold in the State of Michigan and shall be for the purposes of complying with Michigan statutes and regulations. Notwithstanding anything which may be contained in the body of the Franchise Disclosure Document to the contrary, the Franchise Disclosure Document shall be amended as follows:

1. No person(s) identified in the Franchise Disclosure Document:
 - a. Has been convicted of a felony or pleaded nolo contendere to a felony charge, or held liable or enjoined in a civil action by final judgment if the felony or civil action involved fraud, embezzlement, fraudulent conversion, or misappropriation of property.
 - b. Is subject to a currently effective order of the United States securities and exchange commission or the securities administrator of a state denying registration of, or barring or suspending the registration or license of, the person as a securities broker, dealer, securities agent, or registered representative or investment advisor or is subject to a currently effective order of a national securities association or national securities exchange, as defined in the securities exchange act of 1934,¹ suspending or expelling the person from membership in the association or exchange.
 - c. Is subject to a currently effective order or ruling of the federal trade commission.
 - d. Is subject to a currently effective injunctive or restrictive order relating to 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 salesperson. The statement shall set forth the court, date of conviction or judgment, the penalty imposed or damages assessed, or the date, nature, and issuer of the order.

Franchisee's Initials/Date

Franchisor's Initials/Date

**THE FOLLOWING PROVISIONS APPLY ONLY TO TRANSACTIONS
GOVERNED BY THE MICHIGAN FRANCHISE INVESTMENT LAW**

A franchise shall not be sold in the State of Michigan without first providing to the prospective franchisee, at least 10 business days before the execution by the prospective franchisee of any binding franchise or other agreement or at least 10 business days before the receipt of any consideration, whichever occurs first, a copy of the disclosure statement, the following notice, and a copy of all proposed agreements relating to the sale of the franchise. Mich. Comp. Laws Ann. § 445.1508.

The fact that there is a notice of this offering on file with the attorney general does not constitute approval, recommendation, or endorsement by the attorney general.

The State of Michigan prohibits certain unfair provisions that are sometimes in franchise documents. If any of the following provisions are in these franchise documents, the provisions are void and cannot be enforced against you.

- (a) A prohibition on the right of a franchisee to join an association of franchisees.
- (b) A requirement that a franchisee assent to a release, assignment, novation, waiver, or estoppel which deprives a franchisee of rights and protections provided in this act. This shall not preclude a franchisee, after entering into a franchise agreement, from settling any and all claims.
- (c) A provision that permits a franchisor to terminate a franchise prior to the expiration of its term except for good cause. Good cause shall include the failure of the franchisee to comply with any lawful provision of the franchise agreement and to cure such failure after being given written notice thereof and a reasonable opportunity, which in no event need be more than 30 days, to cure such failure.
- (d) A provision that permits a franchisor to refuse to renew a franchise without fairly compensating the franchisee by repurchase or other means for the fair market value at the time of expiration of the franchisee's inventory, supplies, equipment, fixtures, and furnishings. Personalized materials which have no value to the franchisor and inventory, supplies, equipment, fixtures, and furnishings not reasonably required in the conduct of the franchise business are not subject to compensation. This subsection applies only if:
 - (i) The term of the franchise is less than 5 years and
 - (ii) the franchisee is prohibited by the franchise or other agreement from continuing to conduct substantially the same business under another trademark, service mark, trade name, logotype, advertising, or other commercial symbol in the same area subsequent to the expiration of the franchise or the franchisee does not receive at least 6 months advance notice of franchisor's intent not to renew the franchise.

- (e) A provision that permits the franchisor to refuse to renew a franchise on terms generally available to other franchisees of the same class or type under similar circumstances. This section does not require a renewal provision.
- (f) A provision requiring that arbitration or litigation be conducted outside this state. This shall not preclude the franchisee from entering into an agreement, at the time of arbitration, to conduct arbitration at a location outside this state.
- (g) A provision which permits a franchisor to refuse to permit a transfer of ownership of a franchise, except for good cause. This subdivision does not prevent a franchisor from exercising a right of first refusal to purchase the franchise. Good cause shall include, but is not limited to:
 - a. The failure of the proposed transferee to meet the franchisor's then current reasonable qualifications or standards.
 - b. The fact that the proposed transferee is a competitor of the franchisor or subfranchisor.
 - c. The unwillingness of the proposed transferee to agree in writing to comply with all lawful obligations.
 - d. The failure of the franchisee or proposed transferee to pay any sums owing to the franchisor or to cure any default in the franchise agreement existing at the time of the proposed transfer.
- (h) A provision that requires the franchisee to resell to the franchisor items that are not uniquely identified with the franchisor. This subdivision does not prohibit a provision that grants to a franchisor a right of first refusal to purchase the assets of a franchise on the same terms and conditions as a bona fide third party willing and able to purchase those assets, nor does this subdivision prohibit a provision that grants the franchisor the right to acquire the assets of a franchise for the market or appraised value of such assets if the franchisee has breached the lawful provisions of the franchise agreement and has failed to cure the breach in the manner provided in subdivision (c).
- (i) A provision which permits the franchisor to directly or indirectly convey, assign, or otherwise transfer its obligations to fulfill contractual obligations to the franchisee unless provision has been made for providing the required contractual services.

Mich. Comp. Laws Ann. § 445.1527.

The fact that the Notice of Intent is on file with the Attorney General in Michigan does not constitute approval, recommendation, or endorsement by the Attorney General of the franchise offering. Questions regarding the notice should be directed to the Department of Attorney General for Michigan:

State of Michigan Attorney General
G. Mennen Williams Building
525 W. Ottawa Street
P.O. Box 30212
Lansing, MI 48909
(517) 373-1110

Franchisee's Initials/Date

Franchisor's Initials/Date

**AMENDMENT TO HOTWORX® FRANCHISING, L.L.C.
FRANCHISE AGREEMENT
REQUIRED BY THE STATE OF MINNESOTA**

To the extent the Franchise Agreement has any provisions to the contrary, the applicable Minnesota Law to follow governs:

It shall be unfair and inequitable for any person to:

A. restrict or inhibit, directly or indirectly, the free association among franchisees for any lawful purpose;

B. discriminate between franchisees in the charges offered or made for royalties, goods, services, equipment, rentals, advertising services, or in any business dealing, unless any classification of or discrimination between franchisees is based on franchises granted at different times, geographic, market, volume, or size differences, costs incurred by the franchisor, or other reasonable grounds considering the purposes of Minnesota Statutes 1973 Supplement, sections 80C.01 to 80C.22;

C. compete with the franchisee in an exclusive territory or grant competitive franchises in the exclusive territory previously granted to another franchisee if the terms of the franchise agreement provide that an exclusive territory has been specifically granted to a franchisee;

D. require a franchisee to assent to a release, assignment, novation, or waiver that would relieve any person from liability imposed by Minnesota Statutes 1973 Supplement, sections 80C.01 to 80C.22; provided, that this part shall not bar the voluntary settlement of disputes;

E. terminate or cancel a franchise unless:

(1) that person has given written notice setting forth all the reasons for termination or cancellation to the franchisee at least 90 days in advance of termination or cancellation; and

(2) the recipient of the notice fails to correct the reasons stated for termination or cancellation in the notice within 60 days of receipt of the notice, except that the notice shall be effective immediately upon receipt where the alleged grounds are:

(a) voluntary abandonment of the franchise relationship by the franchisee;

(b) the conviction of the franchisee in a court of competent jurisdiction of an offense directly related to the business conducted pursuant to the franchise; or

(c) failure to cure a default under the franchise agreement that materially impairs the good will associated with the franchisor's tradename, trademark, service mark, logotype, or other commercial symbol after the franchisee has received written notice to cure of at least 24 hours in advance thereof;

F. terminate or cancel a franchise except for "good cause," which shall be defined as failure by the franchisee substantially to comply with those reasonable requirements imposed by the franchise, including but not limited to:

(1) the bankruptcy or insolvency of the franchisee;

(2) assignment for the benefit of creditors or similar disposition of the assets of the franchise business;

(3) voluntary abandonment of the franchise business;

(4) conviction or a plea of guilty or no contest to a charge of violating any law relating to a franchise business; or

(5) any act by or conduct of the franchisee which materially impairs the good will associated with the franchisor's trademark, tradename, service mark, logotype, or other commercial symbol;

G. impose on a franchisee by contract or rule, whether written or oral, any standard of conduct that is unreasonable;

H. unreasonably withhold consent to any assignment, transfer, or sale of the franchise whenever the franchisee to be substituted meets the present qualifications and standards required of the franchisees of the particular franchisor;

I. enforce any unreasonable covenant not to compete after the franchise relationship ceases to exist;

J. require a franchisee to waive his or her rights to a jury trial or to waive rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction, or to consent to liquidated damages, termination penalties, or judgment notes; provided that this part shall not bar an exclusive arbitration clause;

K. require a security deposit except for the purpose of securing against damage to property, equipment, inventory, or leaseholds;

L. require or prohibit any change in management or personnel of any franchisee unless the current or potential management or personnel fails to meet the present qualifications and standards required by the particular franchisor; ~~or~~

M. fail to renew a franchise unless the franchisee has been given written notice of the intention not to renew at least 180 days in advance thereof and has been given an opportunity to operate the franchise over a sufficient period of time to enable the franchisee to recover the fair market value of the franchise as a going concern as determined and measured from the date of the failure to renew. This item does not apply if the failure to renew a franchise is for good cause and the franchisee has failed to correct the reasons for termination; or

N. restrict, restrain or prohibit a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor.

Minnesota Department of Commerce, Rule 2860.4400, found at <https://www.revisor.mn.gov/rules>

To the extent the Franchise Agreement includes any contrary provisions, Section 23, “Termination”, of the Franchise Agreement is amended according to the following:

With respect to franchises governed by Minnesota law, the franchisor will comply with Minnesota Statutes, Section 80C.14, Subds. 3, 4, and 5, which require (except in certain specified states) that a franchisee be given 90 days’ notice of termination (with 60 days to cure) and 180 days’ notice for non-renewal of the franchise agreement; and that consent to the transfer of the franchise will not be unreasonably withheld.

Section 25.1 of the Franchise Agreement entitled “Governing Law” is supplemented by the following provision:

Minnesota Statutes, Section 80C.21 and Minnesota Rule 2860.4400(J) prohibit the franchisor from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring the franchisee to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the Franchise Disclosure Document or agreement(s) can abrogate or reduce any of the franchisee’s rights as provided for in Minnesota Statutes, Chapter 80C, or franchisee’s rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

Section 11.6 of the Franchise Agreement with respect to the use of trademarks shall be supplemented by the following provision:

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

Sections 4.4.8 of the Franchise Agreement with respect to your execution of a general release shall be supplemented by the following provision:

Minnesota Rule 2860.4400(D) prohibits a franchisor from requiring a franchisee to assent to a general release.

Section 25.6 of the Franchise Agreement with respect to your injunctive relief shall be supplemented by the following provision:

The franchisee cannot consent to the franchisor obtaining injunctive relief. The franchisor may seek injunctive relief. See Minn. Rule 2860.4400(J). Also, court will determine if a bond is required.

To the extent the Franchise Agreement includes any contrary provisions, the Franchise Agreement is amended according to the following:

The Limitations of Claims section must comply with Minnesota Statutes, Section 80C.17, Subd. 5.

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

Franchisee's Initials/Date

Franchisor's Initials/Date

**ADDENDUM TO HOTWORX® FRANCHISING, L.L.C.
FRANCHISE DISCLOSURE DOCUMENT
REQUIRED BY THE STATE OF MINNESOTA**

The registration of this franchise with the State of Minnesota does not constitute approval or recommendation of the franchise by the Commissioner of Commerce.

To the extent Minnesota franchise law (Minn. Stat. § 80C.01 to 80C.22 and the rules promulgated thereunder by the Minnesota Commissioner of Commerce) applies to any contract that we enter into with you, then we amend each of the applicable sections of the Franchise Disclosure Document to reflect the following where appropriate:

State Cover Page or “Special Risks to Consider About *This Franchise*” Page:

THESE FRANCHISES HAVE BEEN REGISTERED UNDER THE MINNESOTA FRANCHISE ACT. REGISTRATION DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE COMMISSIONER OF COMMERCE OF MINNESOTA OR A FINDING BY THE COMMISSIONER THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE AND NOT MISLEADING.

THE MINNESOTA FRANCHISE ACT MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE IN THIS STATE WHICH IS SUBJECT TO REGISTRATION WITHOUT FIRST PROVIDING THE PROSPECTIVE FRANCHISEE, AT LEAST 7 DAYS PRIOR TO THE EXECUTION BY THE PROSPECTIVE FRANCHISEE OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST 7 DAYS PRIOR TO THE PAYMENT OF ANY CONSIDERATION, BY THE FRANCHISEE, WHICHEVER OCCURS FIRST, A COPY OF THIS PUBLIC OFFERING STATEMENT, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE FRANCHISE. THIS PUBLIC OFFERING STATEMENT CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT. THE CONTRACT OR AGREEMENT SHOULD BE REFERRED TO FOR AN UNDERSTANDING OF ALL RIGHTS AND OBLIGATIONS OF BOTH THE FRANCHISOR AND THE FRANCHISEE.

The “Special Risks to Consider About *This Franchise*” page is supplemented to include the following:

1. The franchise agreement states that Louisiana law governs the agreement, and this law may not provide the same protection and benefits as local law. You may want to compare these laws.
2. **Use of Franchise Brokers.** The franchisor uses the services of franchise brokers to assist in selling franchises. A franchise broker represents the franchisor and is paid a fee for referring prospects to the franchisor and/or selling

the franchise. Do not rely only on the information provided by a franchise broker about a franchise. Do your own investigation by contacting the franchisor's current and former franchisees and ask them about their experience with the franchisor.

3. There may be other risks concerning this franchise.

Items 2 and 3:

Items 2 and 3 of the Franchise Disclosure Document is amended to include the following disclosure:

No person(s) identified in the Franchise Disclosure Document:

- a. has during the ten-year period immediately preceding the date of the public offering statement been convicted of a felony, pleaded nolo contendere to a felony charge, or been held liable in a civil action by final judgment if such felony or civil action involved fraud, embezzlement, fraudulent conversion, restraint of trade, unfair or deceptive practices or misappropriation of property;
- b. is subject to any currently effective order of the United States Securities and Exchange Commission or the securities administrator of any state denying registration to or revoking or suspending the license or registration of such person as a securities broker, dealer, agent, or investment adviser, or is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities Exchange Act of 1934, suspending or expelling such person from membership in such association or exchange;
- c. is subject to any currently effective order or ruling of the Federal Trade Commission;
- d. is subject to any currently effective injunctive or restrictive order relating to the business which is the subject of the franchise offered or any other business activity as a result of an action brought by any public agency or department; or
- e. has any civil or criminal actions pending against that franchisor or person involving fraud, embezzlement, fraudulent conversion, restraint of trade, unfair or deceptive practices or misappropriation of property.

Item 13:

Item 13 of the Franchise Disclosure Document is supplemented to include the following express language:

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

Item 17:

Item 17 of the Franchise Disclosure Document is amended to include the following disclosure, which is incorporated in the Amendment to the Franchise Agreement above:

Pursuant to Minn. Stat. Ann. § 80C.14, Subdivisions 3-5 and to the extent the Franchise Agreement includes any contrary provisions, the Section 23, "Termination", of the Franchise Agreement is amended according to the following:

With respect to franchises governed by Minnesota law, the franchisor will comply with Minnesota Statutes, Section 80C.14, Subds. 3, 4, and 5, which require (except in certain specified states) that a franchisee be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of the franchise agreement; and that consent to the transfer of the franchise will not be unreasonably withheld.

Pursuant to Minn. Stat. Ann. § 80C.21 and Minnesota Rule 2860.4400(J) and to the extent the Franchise Agreement includes any contrary provisions, Section 25.1, "Governing Law", of the Franchise Agreement is amended according to the following:

Minnesota Statutes, Section 80C.21 and Minnesota Rule 2860.4400(J) prohibit the franchisor from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring the franchisee to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the Franchise Disclosure Document or agreement(s) can abrogate or reduce any of the franchisee's rights as provided for in Minnesota Statutes, Chapter 80C, or franchisee's rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

Pursuant to Minnesota Rule 2860.4400(D) and to the extent the Franchise Agreement includes any contrary provisions, Section 4.4.8, "Term and Renewal", of the Franchise Agreement with respect to your execution of a general release shall be supplemented by the following provisions:

Minnesota Rule 2860.4400(D) prohibits a franchisor from requiring a franchisee to assent to a general release.

Pursuant to Minnesota Rule 2860.4400(J) and to the extent the Franchise Agreement includes any contrary provisions, Section 25.6 "Injunctive Relief", of the Franchise

Agreement with respect to your execution of a general release shall be supplemented by the following provisions:

The franchisee cannot consent to the franchisor obtaining injunctive relief. The franchisor may seek injunctive relief. See Minn. Rule 2860.4400(J). Also, a court will determine if a bond is required.

Pursuant to Minn. Stat. Ann. § 80C.17, Subd. 5 and to the extent the Franchise Agreement includes any contrary provisions, the Franchise Agreement with respect to any limitation of claims shall be supplemented by the following provisions:

The Limitations of Claims section must comply with Minnesota Statutes, Section 80C.17, Subd. 5.

Additional Addenda to Franchise Disclosure Document:

Minn. Stat. Sec. §80C.21 provides that any condition, stipulation or provision, including any choice of law provision, purporting to bind any person who, at the time of acquiring a franchise is a resident of Minnesota or, in the case of a partnership or corporation, organized or incorporated under the laws of Minnesota, or purporting to bind a person acquiring any franchise to be operated in Minnesota to waive compliance or which has the effect of waiving compliance with any provision of §§80C.01 to 80C.22 of the Minnesota Franchises Act, or any rule or order thereunder, is void.

Minn. Stat. §80C.21 and Minn. Rule 2860.4400J prohibit HOTWORX® Franchising, L.L.C. from requiring litigation to be conducted outside Minnesota. In addition, nothing in the Franchise Disclosure Document or 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.

To the extent you are required to execute a general release in favor of HOTWORX® Franchising, L.L.C. such release shall exclude liabilities arising under the Minnesota Franchises Act, Minn. Stat. §80C.01 *et seq.* as provided by Minn. Rule 2860.4400J.

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

Franchisee's Initials/Date

Franchisor's Initials/Date

109

**ADDENDUM TO HOTWORX® FRANCHISING, L.L.C.
FRANCHISE DISCLOSURE DOCUMENT
REQUIRED BY THE STATE OF NEW YORK**

For franchisees and franchises subject to the New York statutes and regulations, the following information supersedes or supplements, as the case may be, the corresponding disclosures in the main body of the HOTWORX® FRANCHISING, L.L.C. Franchise Disclosure Document:

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

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

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

Except as provided above, with regard to the franchisor, [any predecessor disclosed in Item 1](#) ~~its predecessor~~, a person identified in Item 2, or an affiliate offering franchises under the franchisor's principal trademark:

A. No such party has an administrative, criminal or civil action pending against that person alleging: a felony, a violation of a franchise, antitrust, or securities law, fraud, embezzlement, fraudulent conversion, misappropriation of property, unfair or deceptive practices, or comparable civil or misdemeanor allegations.

B. No such party has pending actions, other than routine litigation incidental to the business, which are significant in the context of the number of franchisees and the size, nature or financial condition of the franchise system or its business operations.

C. No such party has been convicted of a felony or pleaded nolo contendere to a felony charge or, within the 10-year period immediately preceding the application for

registration, has been convicted of or pleaded nolo contendere to a misdemeanor charge or has been the subject of a civil action alleging: violation of a franchise, antifraud, or securities law; fraud; embezzlement; fraudulent conversion or misappropriation of property; or unfair or deceptive practices or comparable allegations.

- D. No such party is subject to a currently effective injunctive or restrictive order or decree relating to the franchise, or under a Federal, State, or Canadian franchise, securities, antitrust, trade regulation or trade practice law, resulting from a concluded or pending action or proceeding brought by a public agency; or is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities and Exchange Act of 1934, suspending or expelling such person from membership in such association or exchange; or is subject to a currently effective injunctive or restrictive order relating to any other business activity as a result of an action brought by a public agency or department, including, without limitation, actions affecting a license as a real estate broker or sales agent.

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

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

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

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

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

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

6. 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. 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 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.

VERIFICATION

I, Stephen Smith, in my professional capacity and as CEO of franchisor, HOTWORX® FRANCHISING, LLC, based on my personal knowledge, make the following verification:

I have read the foregoing NEW YORK ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT and know its contents. Based on my personal knowledge, I believe that the matters stated in the foregoing document are true and correct.

Executed on _____ (month) ____ (day), 20__, at _____, Louisiana.

Stephen Smith ~~Authorized Representative, in his professional capacity and as~~
CEO of HOTWORX® FRANCHISING, LLC

**AMENDMENT TO HOTWORX® FRANCHISING, L.L.C.
FRANCHISE AGREEMENT
REQUIRED BY THE STATE OF NEW YORK**

In recognition of the requirements of the New York General Business Law, Article 33, the parties to the attached HOTWORX® Franchising, LLC Agreement (the “Agreement”) agree as follows:

- 1.) Sections 4.4.8 of the Agreement with respect to your execution of a general release shall be supplemented by the following provisions:

Provided that all rights you enjoy and any caused of action arising in your favor from the provisions of Article 33 of the GBL of New York and the regulations issued thereunder shall remain in force; it being the intent of this proviso that the nonwaiver provisions of Sections 687.4 and 687.5 of the New York’s GBL be satisfied.

- 2.) Section 19.2 of the Agreement shall be supplemented to include the following provision: Notwithstanding the above, you shall indemnify HOTWORX® Franchising, LLC and hold HOTWORX® Franchising, LLC harmless from liabilities resulting from your breaches and civil wrongs only.

- 3.) Section 21.1 of the Agreement shall be supplemented to include the following provision: In the event of such an assignment, HOTWORX® Franchising, LLC will ascertain that its assignee, in HOTWORX® Franchising, LLC reasonable judgment, possesses the economic resources to fulfill HOTWORX® Franchising, LLC’s obligations to its franchisees.

- 4.) Section 25.1 of the Agreement shall be supplemented by the following provision: However, the foregoing choice of law shall not be considered a waiver of any right conferred upon Franchisee by the provisions of Article 33 of the New York State General Business Law.

- 5.) The first sentence of Section 25.6 of the Agreement, shall have no further force or effect and the following shall be substituted in lieu thereof:

Nothing herein contained in this Agreement shall bar either party’s right to seek to obtain injunctive relief against threatened conduct that will cause a loss or damage, under the usual equity rules, including the applicable rules for seeking to obtain restraining orders and preliminary injunctions. Except as otherwise provided in this Agreement, any dispute between HOTWORX® Franchising, LLC and Franchisee arising out of or relating to this Agreement shall, shall at HOTWORX® Franchising, LLC’s option, be determined by arbitration.

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

- 7.) HOTWORX® Franchising, LLC's termination of the Franchisee Agreement because of your insolvency or bankruptcy may not be enforceable under applicable federal law (11 U.S.C.A. 101 *et. seq.*).
- 8.) 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.
- 9.) 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 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.

Franchisee's Initials/Date

Franchisor's Initials/Date

**ADDENDUM TO HOTWORX® FRANCHISING, L.L.C.
FRANCHISE DISCLOSURE DOCUMENT
REQUIRED BY THE STATE OF NORTH CAROLINA**

This page serves as the Cover Page for all North Carolina disclosures:

DISCLOSURES REQUIRED BY NORTH CAROLINA LAW

The State of North Carolina has not reviewed and does not approve, recommend, endorse or sponsor any business opportunity. The information contained in this disclosure has not been verified by the State. If you have any questions about this investment, see an attorney before you sign a contract or agreement.

**ADDENDUM TO HOTWORX® FRANCHISING, L.L.C.
FRANCHISE DISCLOSURE DOCUMENT
REQUIRED BY THE STATE OF NORTH CAROLINA**

In accordance with N.C. Gen. Stat. Ann. § 66-96, neither a surety bond nor a trust account is applicable to this submission.

**AMENDMENT TO THE HOTWORX® FRANCHISING CORPORATION
FRANCHISE AGREEMENT
REQUIRED BY THE STATE OF NORTH DAKOTA**

This Amendment pertains to franchises sold in the State of North Dakota and is for the purpose of complying with North Dakota statutes and regulations. Notwithstanding anything, which may be contained in the body of the Franchise Agreement to the contrary, the Franchise Agreement is amended as follows:

1. Section 18 of the Franchise Agreement is hereby amended by the addition of the following language to the original language that appears therein:

Covenants not to compete may not be enforceable under North Dakota law.

2. Section 25.7 of the Franchise Agreement is hereby amended by the addition of the following language to the original language that appears therein:

Covenants requiring North Dakota franchisees to consent to the jurisdiction of courts outside of North Dakota may not be enforceable in North Dakota.

3. Section 25.1 of the Franchise Agreement is hereby amended by the addition of the following language to the original language that appears therein:

Covenants specifying that the agreement is governed by the laws of a state other than North Dakota may not be enforceable in North Dakota.

4. Section 24 of the Franchise Agreement is hereby amended by the addition of the following language to the original language that appears therein:

Covenants requiring North Dakota franchisees to consent to termination or liquidated damages may not be enforceable in North Dakota.

5. Section 25.4 of the Franchise Agreement is hereby amended by the addition of the following language to the original language that appears therein:

Covenants requiring arbitration at a location that is remote from the site of the franchisee's business may not be enforceable in North Dakota.

6. Section 25.8 of the Franchise Agreement is hereby amended by the addition of the following language to the original language that appears therein:

Covenants requiring North Dakota franchisees to consent to waiver of trial by jury may not be enforceable in North Dakota.

7. Section 25.9 of the Franchise Agreement is hereby amended by the addition of the

following language to the original language that appears therein:

Covenants requiring North Dakota franchisees to consent to a waiver of exemplary and punitive damages may not be enforceable in North Dakota.

8. Section 21.3.4 of the Franchise Agreement is hereby amended by the addition of the following language that appears therein:

Requiring a North Dakota franchisee to execute a general release of claims as a condition of renewal or transfer of a franchise may not be enforceable under North Dakota law.

9. Section 25 of the Franchise Agreement is hereby amended by the addition of the following language that appears therein:

Requiring a North Dakota franchisees to pay all costs and expenses incurred by the Franchisor in enforcing the agreement may not be enforceable under North Dakota law. The prevailing party in any enforcement action is entitled to recover all costs and expenses including attorney's fees.

Franchisee's Initials/Date

Franchisor's Initials/Date

**ADDENDUM TO HOTWORX® FRANCHISING, L.L.C.
FRANCHISE DISCLOSURE DOCUMENT
REQUIRED BY THE STATE OF NORTH DAKOTA**

Registration with the State of North Dakota does not constitute approval, recommendation, or endorsement by the North Dakota Securities Commissioner.

For franchisees and franchises subject to the North Dakota statutes and regulations, the following information supersedes or supplements, as the case may be, the corresponding disclosures in the main body of the HOTWORX® FRANCHISING, L.L.C. Franchise Disclosure Document:

1. The North Dakota Securities Commissioner has held the following to be unfair, unjust, or inequitable to North Dakota franchisees:
 - A. Restrictive Covenants: Franchise disclosure documents which disclose the existence of covenants restricting competition contrary to Section 9-08-06, N.D.C.C., without further disclosing that such covenants will be subject to this statute.
 - B. Situs of Arbitration / Litigation Proceedings: Franchise agreements providing that the parties must agree to arbitrate / litigate disputes at a location that is remote from the site of the franchisee's business.
 - C. Restriction on Forum: Requiring North Dakota franchisees to consent to the jurisdiction of courts outside of North Dakota.
 - D. Liquidated Damages and Termination Penalties: Requiring North Dakota franchisees to consent to liquidated damages or termination penalties.
 - E. Applicable Laws: Franchise agreements which specify that any claims arising under the North Dakota franchise law will be governed by the laws of a state other than North Dakota.
 - F. Waiver of Trial by Jury: Requiring North Dakota franchisees to consent to the waiver of a trial by jury.
 - G. Waiver of Exemplary and Punitive Damages: Requiring North Dakota franchisees to consent to a waiver of exemplary and punitive damages.
 - H. General Release: Requiring North Dakota franchisees to execute a general release of claims as a condition of renewal or transfer of a franchise.

I. Limitation of Claims: Requiring that North Dakota franchisees to consent to a limitation of claims. The statute of limitations under North Dakota law applies.

J. Enforcement of Agreement: Requiring that North Dakota franchisees to pay all costs and expenses incurred by the franchisor in enforcing the agreement. The prevailing party in any enforcement action is entitled to recover all costs and expenses including attorney's fees.

2. No person(s) identified in the Franchise Disclosure Document:

- a. Has been convicted of a felony or pleaded nolo contendere to a felony charge or held liable in a civil action by final judgment if such felony or civil action involved fraud, embezzlement, fraudulent conversion, restraint of trade, unfair or deceptive practices, or misappropriation of property;
- b. Has pending against the person any indictment or information or complaint relating to a felony or is the subject of a civil action involving fraud, embezzlement, fraudulent conversion, restraint of trade, unfair or deceptive practices, or misappropriation of property;
- c. Is subject to any currently effective order of the securities and exchange commission or the securities administrator of any state denying registration to or revoking or suspending the registration of such person as a securities broker or dealer or investment adviser, 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;
- d. Is subject to any currently effective order or ruling of the federal trade commission; or
- e. Is subject to any currently effective injunctive or restrictive order relating to business activity as a result of an action brought by any public agency or department, including, without limitation, actions affecting a license as a real estate broker or salesman.

N.D. Cent. Code Ann. § 51-19-06 (West)

3. Any condition, stipulation, or provision purporting to bind any person acquiring a franchise to waive compliance with any provision of the North Dakota Franchise Investment Law is void. N.D. Cent. Code Ann. § 51-19-16.
4. The “Special Risks to Consider About *This* Franchise” page is supplemented to include the following:

1. The franchise agreement states that Louisiana law governs the agreement, and this law may not provide the same protection and benefits as local law. You may want to compare these laws.
2. **Use of Franchise Brokers.** The franchisor uses the services of franchise brokers to assist in selling franchises. A franchise broker represents the franchisor and is paid a fee for referring prospects to the franchisor and/or selling the franchise. Do not rely only on the information provided by a franchise broker about a franchise. Do your own investigation by contacting the franchisor's current and former franchisees and ask them about their experience with the franchisor.
3. There may be other risks concerning this franchise.

Franchisee's Initials/Date

Franchisor's Initials/Date

**ADDENDUM TO HOTWORX® FRANCHISING, L.L.C.
FRANCHISE DISCLOSURE DOCUMENT
REQUIRED BY THE STATE OF RHODE ISLAND**

For franchisees and franchises subject to the Rhode Island statutes and regulations, the following information supersedes or supplements, as the case may be, the corresponding disclosures in the main body of the HOTWORX® FRANCHISING, L.L.C. Franchise Disclosure Document:

The “Special Risks to Consider About *This* Franchise” page is supplemented to include the following:

1. The franchise agreement states that Louisiana law governs the agreement, and this law may not provide the same protection and benefits as local law. You may want to compare these laws.
2. **Use of Franchise Brokers.** The franchisor uses the services of franchise brokers to assist in selling franchises. A franchise broker represents the franchisor and is paid a fee for referring prospects to the franchisor and/or selling the franchise. Do not rely only on the information provided by a franchise broker about a franchise. Do your own investigation by contacting the franchisor’s current and former franchisees and ask them about their experience with the franchisor.
3. There may be other risks concerning this franchise.

Item 17:

A provision in the 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 the Rhode Island Franchise Investment Act.

19 R.I. Gen. Laws Ann. § 19-28.1-14

Franchisee’s Initials/Date

Franchisor’s Initials/Date

**AMENDMENT TO HOTWORX® FRANCHISING, L.L.C.
FRANCHISE AGREEMENT
REQUIRED BY THE STATE OF RHODE ISLAND**

For franchisees and franchises subject to the Rhode Island statutes and regulations, the following information supersedes or supplements, as the case may be, the Franchise Agreement, to the extent the Franchise Agreement contains corresponding provisions:

A condition, stipulation or provision requiring a franchisee to waive compliance with or relieving a person of a duty of liability imposed by or a right provided by the Rhode Island Franchise Investment Act or a rule or order under the Rhode Island Franchise Investment Act is void.

An acknowledgement provision, disclaimer or integration clause or a provision having a similar effect in a franchise agreement does not negate or act to remove from judicial review any statement, misrepresentations or action that would violate the Rhode Island Franchise Investment Act or a rule or order under the Rhode Island Franchise Investment Act.

This section shall not affect the settlement of disputes, claims or civil lawsuits arising or brought under the Rhode Island Franchise Investment Act.

R.I. Gen. Laws Ann. § 19-28.1-14

Franchisee's Initials/Date

Franchisor's Initials/Date

**ADDENDUM TO HOTWORX® FRANCHISING, L.L.C.
FRANCHISE DISCLOSURE DOCUMENT
REQUIRED BY THE STATE OF SOUTH DAKOTA**

For franchisees and franchises subject to the South Dakota statutes and regulations, the following information supersedes or supplements, as the case may be, the corresponding disclosures in the main body of the HOTWORX® FRANCHISING, L.L.C. Franchise Disclosure Document:

Item 17:

A written provision in a franchise contract evidencing a transaction involving commerce to settle by arbitration a controversy thereafter arising out of the contract or transaction, or the refusal to perform the whole or any part thereof, or an agreement in writing to submit to arbitration an existing controversy arising out of the contract, transaction, or refusal, is valid, irrevocable, and enforceable except upon such grounds as exist at law or in equity for the revocation of any contract. However, any condition, stipulation, or provision requiring a franchisee to waive compliance with or relieving a person of a duty or liability imposed by or a right provided by this chapter or a rule or order under this chapter is void.

S.D. Codified Laws § 37-5B-21

Franchisee's Initials/Date

Franchisor's Initials/Date

**AMENDMENT TO HOTWORX® FRANCHISING, L.L.C.
FRANCHISE AGREEMENT
REQUIRED BY THE STATE OF SOUTH DAKOTA**

For franchisees and franchises subject to the South Dakota statutes and regulations, the following information supersedes or supplements, as the case may be, the Franchise Agreement, to the extent the Franchise Agreement contains corresponding provisions and to the extent the following are enforceable:

Covenants not to compete upon termination or expiration of a franchise agreement are generally unenforceable in South Dakota, except in certain instances as provided by law.

In the event that either party shall make demand for arbitration, such arbitration shall be conducted in a mutually agreed upon site in accordance with Section 11 of the Commercial Arbitration Rules of the American Arbitration Association.

The law regarding franchise registration, employment, covenants not to compete, and other matters of local concern will be governed by the laws of the State of South Dakota; but as to contractual and all other matters, this agreement and all provisions of this instrument will be and remain subject to the application, construction, enforcement and interpretation under the governing law of the state where the franchise is located.

Any provision of the franchise agreement which requires you to agree to jurisdiction and venue outside of South Dakota is void with respect to any cause of action which is otherwise enforceable in South Dakota.

Notwithstanding any term of the franchise agreement, the franchisor does not terminate the franchise agreement upon default without first affording you thirty (30) days notice with an opportunity to cure the default within that time.

To the extent required by South Dakota law, all provisions giving any party a right to liquidated damages are hereby deleted from the franchise agreement and the parties shall be entitled to their actual damages instead.

Franchisee's Initials/Date

Franchisor's Initials/Date

**ADDENDUM TO HOTWORX® FRANCHISING, L.L.C.
FRANCHISE DISCLOSURE DOCUMENT
REQUIRED BY THE STATE OF VIRGINIA**

For franchisees and franchises subject to the Virginia statutes and regulations, the following information supersedes or supplements, as the case may be, the corresponding disclosures in the main body of the HOTWORX® FRANCHISING, L.L.C. Franchise Disclosure Document:

The “Special Risks to Consider About *This Franchise*” page is supplemented to include the following:

1. The franchise agreement states that Louisiana law governs the agreement, and this law may not provide the same protection and benefits as local law. You may want to compare these laws.
2. **Use of Franchise Brokers.** The franchisor uses the services of franchise brokers to assist in selling franchises. A franchise broker represents the franchisor and is paid a fee for referring prospects to the franchisor and/or selling the franchise. Do not rely only on the information provided by a franchise broker about a franchise. Do your own investigation by contacting the franchisor’s current and former franchisees and ask them about their experience with the franchisor.
3. There may be other risks concerning this franchise.

Item 17:

The provision in the Franchise Agreement that provides for termination upon your bankruptcy may not be enforceable under federal bankruptcy law.

Item 17(h):

It is unlawful for a franchisor to cancel a franchise without reasonable cause or to use undue influence to induce a franchisee to surrender any right given to him by any provision contained in the franchise.

Va. Code Ann. § 13.1-564.

No statement, questionnaire, or acknowledgement signed or agreed to by you 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 us, any franchise seller, or any other person acting on our behalf. This provision supersedes any other term of any document executed in connection with the franchise.

**AMENDMENT TO HOTWORX FRANCHISING, L.L.C.
FRANCHISE AGREEMENT
REQUIRED BY THE STATE OF VIRGINIA**

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 any other laws of Virginia, that provision may not be enforceable.

Section 13.1-564 of the Virginia Retail Franchising Act, which may supersede the franchise agreement in your relationship with the franchisor regarding the area of cross default terminations (Franchise Agreement Section 22.4). There may also be court decisions which may supersede the franchise agreement in your relationship with the franchisor including the area of cross default terminations.

In the event of a conflict of laws, the provisions of the Virginia Retail Franchising Act, Section 13.1- 564 shall prevail.

The undersigned does hereby acknowledge receipt of this addendum.

Franchisee’s Initials/Date

Franchisor’s Initials/Date

**AMENDMENT TO HOTWORX® FRANCHISING LLC FRANCHISE AGREEMENT,
AREA DEVELOPMENT AGREEMENT, FRANCHISE DISCLOSURE DOCUMENT
AND RELATED AGREEMENTS REQUIRED BY THE STATE OF WASHINGTON**

This Amendment shall pertain to franchises sold in the State of Washington and shall be for the purpose of complying with the Washington Franchise Investment Protection Act (“WFIPA”), codified at Wash Rev. Code 19.100.010 *et seq.*, and accompanying regulations.

1. In the event of a conflict of laws, the WFIPA, Chapter 19.100 RCW provisions will govern.
2. RCW 19.100.180 may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise. There may also be court decisions which may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise.
3. In any arbitration or mediation involving a franchise purchased in the State of Washington, the arbitration or mediation site will be either in the State of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation, or as determined by the arbitrator or mediator at the time of arbitration or mediation. In addition, if litigation is not precluded by the franchise agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of WFIPA, in Washington.
4. A release or waiver of rights executed by the Franchisee may not include rights under the WFIPA or any rule or order thereunder except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel. Provisions such as those which unreasonably restrict or limit statutes of limitations period for claims under the Act, or rights or remedies under the Act such as the right to a jury trial, may not be enforceable.
5. Transfer fees are collectible by the Franchisor to the extent that they reflect the Franchisor’s reasonable, estimated or actual costs in effecting a transfer.
6. Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee’s earnings from the party seeking enforcement, when annualized, exceed \$100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor’s earnings from the party seeking enforcement, when annualized, exceed \$250,000 per year (an amount that will be adjusted annually for inflation). As a result, any provisions contained in the franchise agreement or elsewhere that conflict with these limitations are void and unenforceable in Washington.

7. RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor. As a result, any such provisions contained in the franchise agreement or elsewhere are void and unenforceable in Washington.
8. The “Special Risks to Consider About *This Franchise*” is supplemented to include the following:

Use of Franchise Brokers. The franchisor uses the services of franchise brokers to assist in selling franchises. A franchise broker represents the franchisor and is paid a fee for referring prospects to the franchisor and/or selling the franchise. Do not rely only on the information provided by a franchise broker about a franchise. Do your own investigation by contacting the franchisor’s current and former franchisees and ask them about their experience with the franchisor.

The undersigned does hereby acknowledge receipt of this addendum.

Dated this _____ day of _____, 20__.

Franchisee

Franchisor

**ADDENDUM TO HOTWORX® FRANCHISING, L.L.C.
FRANCHISE DISCLOSURE DOCUMENT
REQUIRED BY THE STATE OF WISCONSIN**

For franchises and Franchisees subject to the Wisconsin Franchise Investment Law and/or Wisconsin Fair Dealership Law, the following information supersedes or supplements, as the case may be, the corresponding disclosures in the main body of the text of the HOTWORX® Franchising, LLC's Wisconsin Franchise Disclosure Document.

Item 17:

Franchisor must provide franchisee at least 90 days prior written notice of termination, cancellation or substantial change in competitive circumstances. The notice will state all the reasons for termination, cancellation or substantial change in competitive circumstances and will provide that franchisee has 60 days in which to cure any claimed deficiency. If the deficiency is cured within 60 days, the notice will be void. If the reason for termination, cancellation or substantial change in competitive circumstances is nonpayment of sums due under the franchise, franchisee will have 10 days to cure the deficiency.

For Wisconsin Franchisees, ch. 135, Stats., the Wisconsin Fair Dealership Law, supersedes any provision of the Franchise Agreement or a related contract between Franchisor and Franchisee inconsistent with the Law.

Franchisee's Initials/Date

Franchisor's Initials/Date

**AMENDMENT TO HOTWORX® FRANCHISING LLC
FRANCHISE AGREEMENT
REQUIRED BY THE STATE OF WISCONSIN**

This Amendment shall pertain to franchises sold in the State of Wisconsin and shall be for the purpose of complying with the Wisconsin Fair Dealership Law and Wisconsin Franchise Investment Law. Notwithstanding anything which may be contained in the body of the Franchise Agreement to the contrary, the Agreement shall be amended as follows:

1. Ch. 135, Stats., the Wisconsin Fair Dealership Law, supersedes any provisions of this Agreement or a related document between Franchisor and Franchisee inconsistent with the Law.

Franchisee's Initial/Date

Franchisor Initials/Date

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.

REGISTRATION STATE	Effective Date
California	Pending November 27, 2023
Hawaii	Pending November 18, 2023
Illinois	Pending November 13, 2023
Indiana	Pending November 20, 2023
Maryland	Not Submitted
Michigan	Pending December 1, 2023
Minnesota	Pending December 12, 2023
New York	Pending January 12, 2024
North Dakota	Pending November 22, 2023
Rhode Island	Pending December 18, 2023
South Dakota	Pending November 10, 2023
Virginia	Pending November 15, 2023
Washington	Pending November 20, 2023
Wisconsin	Pending November 10, 2023

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 of seller-assisted marketing plans.

EXHIBIT LK
HOTWORX® FRANCHISING, LLC
FRANCHISE DISCLOSURE DOCUMENT
ITEM 23 RECEIPT

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

If HOTWORX® Franchising, LLC offers you a franchise, it must provide this disclosure document to you 14 calendar days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale.

[New York requires that Franchisor provide you with this disclosure document at the earlier of the first personal meeting to discuss our franchise; or ten business days before the signing of a binding agreement; or ten business days before a payment to franchisor or its agent.]

[Iowa requires that Franchisor provide you with this disclosure document fourteen days and Connecticut and Michigan require that Franchisor provide you with this disclosure document ten business days before you sign a binding agreement with, or make payment to, Franchisor or one of its affiliates in connection with the proposed sale.]

[Minnesota requires that Franchisor provide you this disclosure document together with a copy of all proposed agreement relating to the sale of the franchise at least seven days prior to the execution by the prospective franchisee of any franchise or other agreement, or at least seven days prior to the payment of any consideration by the franchisee, whichever occurs first. You shall be permitted to retain the disclosure document prior and subsequent to the execution of any franchise or other agreement.]

[North Dakota requires that Franchisor provide you this disclosure document, together with a copy of all proposed agreements relating to the sale of the franchise, at least seven days prior to the execution by you of any binding franchise or other agreement or at least seven days prior to the receipt of any consideration, whichever occurs first. You must be permitted to retain the disclosure document prior and subsequent to the execution of any franchise or other agreement.]

If HOTWORX® 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, DC 20580 and the state agency listed on Exhibit A.

The franchisor is HOTWORX® Franchising, LLC, located at 5161 Taravella Road, Marrero, Louisiana, 70072. Its telephone number is (504) 297-1HOT.

Issuance date: ~~July April 190, 20243, as amended November 8, 2023.~~

The franchise seller for this offering is: _____
(Name) (Position)

[Page 1 of 3]

Complete Below for a Partnership, Corporation or Limited Liability Corporation:

Name: _____

Title: _____

Name of Company: _____

Address: _____

You may return the signed receipt either by signing, dating, and mailing it to the Attention of Franchise Sales Department at HOTWORX® Franchising, LLC at 5161 Taravella Road, Marrero, LA 70072, or by emailing a copy of the signed and dated receipt page to Franchisor at legal@hotworx.net.

EXHIBIT ~~LK~~
HOTWORX® FRANCHISING, LLC
FRANCHISE DISCLOSURE DOCUMENT
ITEM 23 RECEIPT

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

If HOTWORX® Franchising, LLC offers you a franchise, it must provide this disclosure document to you 14 calendar days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale.

[New York requires that Franchisor provide you with this disclosure document at the earlier of the first personal meeting to discuss out franchise; or ten business days before the signing of a binding agreement; or ten business days before a payment to franchisor or its agent.]

[Iowa requires that Franchisor provide you with this disclosure document fourteen days and Connecticut and Michigan require that Franchisor provide you with this disclosure document ten business days before you sign a binding agreement with, or make payment to, Franchisor or one of its affiliates in connection with the proposed sale.]

[Minnesota requires that Franchisor provide you this disclosure document together with a copy of all proposed agreement relating to the sale of the franchise at least seven days prior to the execution by the prospective franchisee of any franchise or other agreement, or at least seven days prior to the payment of any consideration by the franchisee, whichever occurs first. You shall be permitted to retain the disclosure document prior and subsequent to the execution of any franchise or other agreement.]

[North Dakota requires that Franchisor provide you this disclosure document, together with a copy of all proposed agreements relating to the sale of the franchise, at least seven days prior to the execution by you of any binding franchise or other agreement or at least seven days prior to the receipt of any consideration, whichever occurs first. You must be permitted to retain the disclosure document prior and subsequent to the execution of any franchise or other agreement.]

If HOTWORX® 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, DC 20580 and the state agency listed on Exhibit A.

The franchisor is HOTWORX® Franchising, LLC, located at 5161 Taravella Road, Marrero, Louisiana, 70072. Its telephone number is (504) 297-1HOT.

Issuance date: ~~July April 190, 20243, as amended November 8, 2023.~~

The franchise seller for this offering is: _____
(Name) (Position)

Complete Below for a Partnership, Corporation or Limited Liability Corporation:

Name: _____

Title: _____

Name of Company: _____

Address: _____

You may return the signed receipt either by signing, dating, and mailing it to the Attention of Franchise Sales Department at HOTWORX® Franchising, LLC at 5161 Taravella Road, Marrero, LA 70072, or by emailing a copy of the signed and dated receipt page to Franchisor at legal@hotworx.net.