



## FRANCHISE DISCLOSURE DOCUMENT

GNC Holdings, LLC  
a Delaware limited liability company  
75 Hopper Place, Suite 501  
Pittsburgh, PA 15222  
(412) 288-4600  
[www.gncfranchising.com](http://www.gncfranchising.com)

The franchise described in this disclosure document is for the establishment and operation of a GNC retail store specializing in the sale of vitamins, minerals and other food supplements, and beauty and other health management items.

The total investment necessary to begin operation of a single new GNC franchise store ~~ranges from \$188,719~~ is \$187,219 to \$503,642; and to convert a single company-owned GNC store to a GNC franchise store ~~ranges from \$113,719~~ is \$112,219 to \$460,142; ~~and to include a Smoothie Bar in the store is \$32,000 to \$65,000.~~ This includes the following amounts that must be paid to the franchisor or affiliate: ~~from \$168,500~~ \$167,000 to \$435,000 for a new GNC franchise store; and ~~from~~ \$93,500 to \$391,500 to convert a company-owned GNC store to a GNC franchise store. ~~If you enter into an Area Development Agreement, you;~~ and \$1,000 to include a Smoothie Bar in the store.

The total investment necessary to begin operation of the first GNC franchise store under a two-store Area Development Agreement is \$194,719 to \$511,142. This includes \$174,500 to \$442,500 that must also pay be paid to the franchisor or affiliate a development fee equal to the sum of the following: (i) a. This does not include the development rights fee, which will be determined by if any, that the franchisor and will vary depending on the location of the development area, (ii) a fee equal to the initial franchise fee for the first GNC store you may charge. You must agree to develop, and (iii) a fee equal to 50% of the total initial franchise fees for the remaining GNC stores that you agree to develop. The fees in (ii) and (iii) will be credited toward the initial franchise fees due for the stores as long as you develop and open the stores in accordance with the terms of the Area Development Agreement. You must open a minimum of two GNC stores under the an Area Development Agreement.

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 fourteen (14) calendar days before you sign a binding agreement with, or make any payment to, the franchisor or an affiliate in connection with the proposed franchise sale. **Note, however, that no governmental agency has verified the information contained in this document.**

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

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

[www.ftc.gov](http://www.ftc.gov) for additional information. Call your state agency or visit your public library for other sources of information on franchising.

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

Issuance Date: [April 27, 2023](#)

| June 21, 2024

| ~~04/27/2023~~ 06/21/2024

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

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

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

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

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

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

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

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

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

### Some States Require Registration

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

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

## Special Risks to Consider About *This* Franchise

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

1. **Out-of-State Dispute Resolution.** The franchise agreement and area development agreement require you to resolve disputes with the franchisor by arbitration and/or litigation only in Pennsylvania. Out-of-state arbitration or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to arbitrate or litigate with the franchisor in Pennsylvania than in your own state.
2. **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 your and your spouse's marital and personal assets, perhaps including your house, at risk if your franchise fails.
3. **Supplier Control.** You must purchase all or nearly all of the inventory or supplies that are necessary to operate your business from us, from our affiliates, or from suppliers that we designate at prices we or they set. These prices may be higher than prices you could obtain elsewhere for the same or similar goods. This may reduce the anticipated profit of your franchise business.
4. **Short Operating History.** The franchisor is at an early stage of development and has a limited operating history. This franchise is likely to be a riskier investment than a franchise in a system with a longer operating history.

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

**NOTICE REQUIRED BY  
STATE OF MICHIGAN**

**The state of Michigan prohibits certain unfair provisions that are sometimes in franchise documents. If any of the following provisions are in these franchise documents, the provisions are void and cannot be enforced against you.**

- (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 [the Michigan Franchise Investment Law]. 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 only applies 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 [Michigan]. 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 [Michigan].
- (g) A provision which permits a franchisor to refuse to permit a transfer of ownership of a franchise, except for good cause. This subdivision does not prevent a franchisor from exercising a right of first refusal to purchase the franchise. Good cause shall include, but is not limited to:
  - (i) The failure of the proposed transferee to meet the franchisor's then current reasonable qualifications or standards.
  - (ii) The fact that the proposed transferee is a competitor of the franchisor or subfranchisor.

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

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

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

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

**The fact that there is a notice of this offering on file with the attorney general does not constitute approval, recommendation, or endorsement by the attorney general.**

Any questions regarding this notice should be directed to the Michigan Department of Attorney General, Consumer Protection Division, Antitrust and Franchise Unit, 525 W. Ottawa Street, G. Mennen Williams Building, 1<sup>st</sup> Floor, Lansing, Michigan 48933, (517) 335-7567.

**THE MICHIGAN NOTICE APPLIES ONLY TO TRANSACTIONS THAT ARE GOVERNED BY THE MICHIGAN FRANCHISE INVESTMENT LAW.**

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**ITEM 1**

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

**THE FRANCHISOR AND ITS PREDECESSORS**

The franchisor is GNC Holdings, LLC. To simplify the language in this disclosure document, “we,” “us” or “our” means GNC Holdings, LLC. “You” or “your” means the person or entity that buys the franchise, and includes your partners if you are a partnership, your members if you are a limited liability company, or your shareholders if you are a corporation.

GNC Holdings, LLC is a Delaware limited liability company. Our principal business address is 75 Hopper Place, Suite 501, Pittsburgh, Pennsylvania 15222. We conduct business under our corporate name and under the names “GNC,” “General Nutrition Centers,” and “GNC Live Well.” Our agents for service of process are listed in Exhibit B to this disclosure document.

Our immediate predecessor was General Nutrition Corporation, which was the franchisor from January 1, 2009 to October 7, 2020. The principal business address of General Nutrition Corporation was 300 Sixth Avenue, Pittsburgh, Pennsylvania 15222. On June 23, 2020, General Nutrition Corporation (the former franchisor) and 16 affiliated companies each filed a voluntary petition for relief under Chapter 11 of the United States Bankruptcy Code in the United States Bankruptcy Court for the District of Delaware. On September 18, 2020, the bankruptcy court entered an order approving the sale of substantially all of the assets of debtors to Harbin Pharmaceutical Group Holding Co., Ltd., our ultimate parent company. The closing of the sale occurred on October 7, 2020 (*see* Item 4 for more information).

**OUR PARENTS AND AFFILIATES**

The names and principal business addresses of all of our parent companies are as follows:

| Name  | Principal Business Address   | Relationship   |
|---|--|--|
| Harbin Pharmaceutical Group Holding Co., Ltd. | No. 68, Limin West Fourth Street, Limin Development Zone, Harbin, People’s Republic of China                     | Ultimate Parent  |
| Jacks Management (Suzhou) Limited             | K06-1, 1/F, Lian Fa Building, No. 199, Dongxing Road, Suzhou Industrial Park, Suzhou, People’s Republic of China | Intermediate Parent                                      |
| ZT Biopharmaceutical LLC                      | Corporation Trust Center, 1209 Orange Street, Wilmington, Delaware 19801   | Intermediate Parent and Sole Member of GNC Holdings, LLC |

We do not have any affiliates that provide products or services to our franchisees.

## **OUR OTHER BUSINESS ACTIVITIES**

We own and operate all of the company-owned GNC retail stores. Our company-owned GNC retail stores are of the type being franchised in this disclosure document.

We own and operate the Internet site GNC.com, which sells GNC-branded products and third-party products via the Internet, and we also sell a product assortment, including GNC-branded products, on our marketplace on Amazon.com. We also provide necessary overhead for our company-owned GNC stores and warehousing, distribution, and construction services for company-owned and franchised GNC stores.

We also supply GNC-branded products and certain private label products to third party retailers. We also offer franchises of the type being franchised in this disclosure document in countries and territories outside the United States.

## **THE FRANCHISE WE OFFER**

The franchise that we offer in this disclosure document is the license to operate a GNC retail store (the “Store” or “GNC Store”) at a fixed location as a franchisee under the form of Franchise Agreement attached as Exhibit E to this disclosure document (the “Franchise Agreement”).

GNC Stores are retail health, wellness and performance stores that offer for sale vitamin and mineral supplements (some of which will be sold under the “GNC” brand or other proprietary brands we may create and develop from time to time), and, depending on the Store size, franchisee preferences, and our requirements, may offer for sale sports nutrition products, herbs, health foods, beauty and miscellaneous healthcare products, diet products, physical fitness products, specialty workout apparel, health-management products, and related products, as approved for sale by us from time to time. The franchise will be operated under certain trademarks, trade names, service marks, logos, emblems, insignia and other commercial symbols (including without limitation “GNC”, “GENERAL NUTRITION CENTERS”, and/or “GNC LIVE WELL”) developed and approved for use by us from time to time (the “Proprietary Marks”), and pursuant to a comprehensive system developed by us and our predecessors (the “System”), which we may modify from time to time.

Our System features: vitamin and mineral supplements and other products under labels bearing the “GNC” mark (the “GNC Brand Supplements”) and other proprietary trademarks, such as Pro Performance; other third party vitamin and mineral supplements; sports nutrition products, herbs, health foods, beauty and miscellaneous healthcare products, diet products, physical fitness products, specialty workout apparel, health-management products, and related products; distinctive trade dress; interior and exterior building design and Store format; standards and specifications for construction, equipment, signs, furnishings, assistance, and training; sales and management assistance and training; operating procedures for the storage, display and sale of products and services; and specialized methods and techniques for inventory and cost purchasing, customer service, sales promotion and advertising. We have also developed an omni-channel strategy as part of the System to meet consumer requirements around where, when, and how consumers want to make purchases. This may include processes that allow consumers to shop on-line on both our website and other virtual marketplaces, with delivery of purchased products completed by our distribution centers, corporate Stores, and/or franchised Stores. The System may be changed, improved and further developed by us from time to time.

If you desire to develop and operate multiple GNC Stores, we offer an Area Development Agreement, which grants you the right to develop and open a specified number of GNC Stores within a

specified development area in accordance with a specified development schedule, under the form of Area Development Agreement attached as Exhibit F to this disclosure document (the “Development Agreement”). You must open a minimum of two GNC stores under the Development Agreement. Under the Development Agreement, you have the right to develop, open and operate an agreed upon number of GNC Stores located in an area of responsibility (the “Development Area”), provided that you do so in accordance with an agreed upon development schedule (the “Development Schedule”). There is no preset maximum number of GNC Stores that you will be required to establish under the Development Agreement. We will negotiate with you on a case-by-case basis the number of GNC Stores that you will develop. In negotiating the number of GNC Stores we will permit you to develop under the Development Agreement, we will take into account market conditions, demographics for the potential development area and other factors we deem relevant. You may establish your GNC Stores at any location within the Development Area provided we consent to the location, which consent may be withheld or granted in our sole discretion, the location is in a state where we are permitted to sell GNC franchises, the location is not located in a territory or location in which any other GNC franchisee has exclusive rights or a right of first refusal, the location would not violate any other protected or restricted territories that we have granted or may in the future grant, such as in connection with a joint venture or Rite Aid, and the location would not violate a radius restriction in any real estate lease. You will operate each GNC Store to be developed under the Development Agreement under a separate Franchise Agreement. Upon establishing each additional GNC Store under the Development Schedule, you will be required to sign a then-current Franchise Agreement, which may differ from the current Franchise Agreement included with this disclosure document.

We currently offer ~~the following two~~ 2 ways to purchase a GNC franchise programs:

#### New Franchise Store

A new franchise Store (“New Franchise Store”), or the right to develop multiple New Franchise Stores under a Development Agreement, may be awarded to a qualified person who is new to the GNC System, an existing franchisee or an employee of ours pursuant to our employee program. A New Franchise Store will be a new Store constructed at a location approved by us.

#### Conversion Store

~~We also may convert an~~ As part of our current business strategy, we are converting existing company-owned GNC ~~Store~~ Stores to a franchised GNC ~~Store~~ Stores (a “Conversion Store”). This may entail selling individual company-owned GNC Stores to individual franchisees or packaging a group of company-owned Stores to sell to a single franchisee or group of franchisees. This program is available to qualified new franchisees, existing franchisees, and employees of ours pursuant to our employee program. Sales of Conversion Stores ~~under this program are~~ will be made using the form of Asset Purchase and Sale Agreement attached as Exhibit H to this disclosure document.

In either case, to qualify under our employee program, you must currently be an employee of ours, and you must have been employed (regardless of the position held) full-time for at least 12 months or part-time for at least 24 months prior to the date you execute the Franchise Agreement.

~~————— In the past, we have allowed franchisees to incorporate a GNC Smoothie Bar into their Stores. We no longer offer this option. However, if you are a franchisee and have an existing GNC Smoothie Bar in your Store, you may continue to operate the GNC Smoothie Bar in your Store, provided you execute the GNC Smoothie Bar Addendum attached to your renewal Franchise Agreement. We may, in our discretion, require you to remove the GNC~~ We generally do not include a Smoothie Bar option in the standard GNC Store plan. However, depending on your available Store space, and if you qualify, we may, in our sole discretion, allow you to include a Smoothie Bar in the Store. The Smoothie Bar is a fully-integrated, full-

service bar inside the Store, with approximately 150 square feet, specializing in the sale of drinks blended with fruit, juice, and nutritional supplements. In determining whether to allow you to include a Smoothie Bar in the Store, we may consider factors such as your operational history and experience either with Smoothie Bars in other GNC Store locations or with similar non-GNC concepts; whether you have the financial resources to construct and operate the Smoothie Bar; whether a Smoothie Bar is permitted by the lease for the location; whether the location has adequate square footage to add a Smoothie Bar; and whether you (if you are an existing franchisee) are in compliance with the terms of your Franchise Agreement and are in good financial standing. If we allow you to include a Smoothie Bar in your Store, you must execute the Smoothie Bar Addendum that will be attached to your Franchise Agreement. We do not offer free-standing Smoothie Bars. We may, in our sole discretion, require you to remove the Smoothie Bar from your Store at the time of any renewal of your Franchise Agreement or remodeling of your Store.

You will operate your GNC Store as an independent business using the Proprietary Marks, System, support, guidance, and materials developed by us. You will offer and sell products and services to the general public under the terms and conditions contained within the Franchise Agreement and our confidential operating manuals, including the Franchise Operations Manual and the Visual Merchandising Playbook, and any other manuals that we may develop or prescribe from time to time (the “Manuals”), that will be loaned to you at the time of training. You may not offer other products or services without our prior written approval.

We reserve the right to offer special incentive programs at any time in the future, which may decrease any of the fees listed in Items 5, 6 and 7 of this disclosure document. Generally, these incentive programs will be conditioned upon you executing a Franchise Agreement or opening your Store by a specified date and may only be available for specific Stores or in specified markets, which we determine in our sole discretion. We may alter or discontinue these programs at any time in our sole discretion without notice to you. These incentive programs may not be combined with any other offer or program unless indicated by us in writing. Furthermore, if you have executed a Franchise Agreement before the dates specified for the incentive programs, acquired a GNC location from an existing franchisee via a transfer, or are renewing an existing Franchise Agreement, you are not eligible to participate in the incentive program.

## **COMPETITION**

The health, wellness and performance market is well developed and is very competitive. You will compete with independent, regional, and national chains of vitamin stores, health food stores, and fitness stores. You will also compete with specialty stores, mass merchandisers, drug stores and grocery stores that sell the same or similar products, some of which may be located in close proximity to your Store or within the same enclosed mall or strip center. Various companies throughout the United States sell, by mail order, Internet or catalog sales, products which are the same or similar to those you will offer from your franchise location. Depending on the terms of your lease, your landlord may be able to lease other space within the mall or strip center in which you are located to other stores which may offer products that are the same as or similar to your products. Other nearby stores may be owned by us or our affiliates, under the same or a different trade name or trademark. In addition, in response to increasing competition in your area, we may develop programs to compete with that competition, and these programs may lower prices of products in certain GNC Stores in your area; however, these programs will comply with our obligations in connection with your protected territory under your Franchise Agreement.

In our Franchise Agreement, we reserve the right to sell products under the same or similar brands that you sell, including GNC Brand Supplements, via other channels of distribution. We own and operate the Internet site [GNC.com](http://GNC.com). Additionally, our products, including GNC Brand Supplements, are sold on various other [Internet sites/virtual marketplaces](#), including, but not limited to, [Riteaid.com](http://Riteaid.com), [Amazon.com](http://Amazon.com), [DicksSportingGoods.com](http://DicksSportingGoods.com), [Walmart.com](http://Walmart.com), [SamsClub.com](http://SamsClub.com), [Target.com](http://Target.com), and [QVC.com](http://QVC.com) [Tik Tok shop](#). These

Internet sites will enable customers to purchase vitamin and mineral supplements, sports nutrition products, diet and energy products, herbal supplements, health and beauty products, health care products, and related products that may be currently available in retail GNC Stores, including GNC Brand Supplements, as well as provide free on-line information about health, wellness and performance. The products offered on these Internet sites may be the same or similar to those sold by you and may be offered for sale at varying prices. We also wholesale products (including GNC Brand Supplements) to various third-party brick-and-mortar retail stores, and we may at any time pursue and enter into additional distribution/wholesaling relationships with third-party brick-and-mortar retail stores. These stores may be located within your Protected Territory, and they may offer for sale the same or similar products offered by you, including GNC Brand Supplements, at varying prices. See Item 12 for more information.

## **INDUSTRY-SPECIFIC REGULATIONS**

In addition to laws and regulations that apply to businesses generally, such as workers' compensation, corporate, and tax laws, you will be subject to certain federal, state, and local laws and regulations that affect the storage, offer, and sale of many products in your Store, which may include rules and regulations of the Federal Food and Drug Administration ("FDA"), the Consumer Product Safety Commission ("CPSC"), and the Federal Trade Commission ("FTC"), and if you carry foods, local health departments. There may be other local laws and regulations that are not mentioned in this disclosure document. The FDA and FTC rules and regulations may constrain the advertising or representations you can make about products and prohibit you from selling certain products, in some cases because of statements on their labels or advertising associated with those products.

You must comply with all applicable FDA requirements contained in the Federal Food, Drug, and Cosmetic Act and any similar state law concerning the sale of vitamins, proteins, beauty products, drugs, foods, food supplements, medical devices, and other goods or services offered for sale at your Store. You must also obtain all certifications, permits, or other licenses that are necessary for you to operate your Store. You should become generally familiar with the Federal Food, Drug, and Cosmetic Act and any similar state law.

## **OUR BUSINESS EXPERIENCE AND BUSINESS EXPERIENCE OF OUR PREDECESSORS AND AFFILIATES**

We and our predecessors have offered franchises similar to the franchise we are offering in this disclosure document since 1987. Our immediate predecessor, General Nutrition Corporation, offered GNC Store franchises similar to the franchise we are offering in this disclosure document, and operated all company-owned Stores, from January 1, 2009 to October 7, 2020, when its assets were sold to us (*see* Item 4 for more information). We have been operating company-owned Stores since October 7, 2020 and have been offering GNC Store franchises in the United States since February 9, 2021.

We and our predecessors have manufactured and sold vitamins and other health-management products since 1935, and have distributed these products to franchisees and company-owned stores since 1993. We own and operate our company-owned Stores in the United States, under the names "GNC," "General Nutrition Centers," and "GNC Live Well," all of which specialize in the sale of health, wellness and performance products, such as vitamins and mineral supplements, sports nutrition products, herbs, health foods, beauty and miscellaneous healthcare products, diet products, physical fitness products, specialty workout apparel, health-management products, and related products. The GNC Stores operated by us and our predecessors are the same as, or similar to, the franchise offered in this disclosure document.

We and our predecessors have offered franchises and Development and Distribution Agreements similar to the franchise offered in this disclosure document in countries and territories outside the United States since 1989.

Neither we nor our predecessors have offered franchises in any other lines of business.

## ITEM 2

### BUSINESS EXPERIENCE

#### Director:

Yichen Zang  
Yong Kai  
Wong

Mr. Executive Vice Chairman: Zang has been a Board member since August, 2020. Mr. Zang has served as Chairman and Chief Executive Officer for CITIC Capital Holdings Limited, in Hong Kong, People's Republic of China, since 2002. CITIC Capital Holdings Limited is an affiliate of our ultimate parent company, Harbin Pharmaceutical Group Holding Co., Ltd.

#### Director:

Yong Kai  
Wong

Mr. Wong has been a Board member since August, 2020. Mr. Wong was our Executive Vice Chairman since October, 2020, and is from August, 2020 to November, 2023, during which time he managed our day-to-day operations as the authorized representative of our sole member, ZT Biopharmaceutical LLC, our sole member. Mr. Wong has served as a Managing Director of CITIC Capital Holdings Limited, in Hong Kong, People's Republic of China, since December, 2012. CITIC Capital Holdings Limited is an affiliate of our ultimate parent company, Harbin Pharmaceutical Group Holding Co., Ltd.

#### Director:

Hans Allegaert

Mr. Allegaert has been a Board member since August, 2020. Mr. Allegaert has served as a Managing Director for CITIC Capital Holdings Limited, in New York, New York, since 2014. CITIC Capital Holdings Limited is an affiliate of our ultimate parent company, Harbin Pharmaceutical Group Holding Co., Ltd.

#### Interim Chief Executive Vice President, Chief Operating Officer:

Nathan  
Frazier  
Michael  
Costello

Mr. Frazier Costello has served as our Interim Chief Executive Vice President, Chief Operating Officer since July, 2021 to November, 2023, at our headquarters in Pittsburgh, Pennsylvania. He has served as our an adviser for Fabalish Inc., located in New York, New York, since January, 2021, and as an adviser for Wild Cow Brands LLC, located in Miami, Florida, since October, 2020. From August, 1992 to October, 2022, he served in various roles at The Clorox Company, in Oakland, California: as Senior Vice President, U.S. Operations and General Manager, Nutranext & Renew Life, from April, 2018 to October, 2020 to July, 2021, at our headquarters in Pittsburgh, Pennsylvania. He served as Senior Vice President, U.S. Operations for our predecessor, General Nutrition Corporation and General Manager, International, from March, 2019, to October, 2020, in Pittsburgh, Pennsylvania. From June, 2017 to April, 2011 to March, 2019, he served as Vice President, Franchise Operations for General Nutrition Corporation, in Pittsburgh, Pennsylvania. He previously served as Vice President of Corporate and Franchise Operations at Mattress Firm in Houston, Texas April, 2018; as General Manager, Latin America, from March, 2016 to June, 2008 to June, 2017; and as Divisional Vice President of Enterprise Risk for a retail division of Berkshire Hathaway in Kansas City, Missouri April, 2011; as Vice President, Marketing, International, from November, 2013 to March, 2016 to 2005 to May, 2008; and in various leadership, director and manager roles for the company from August, 1992 to November, 2005.

**Executive Vice President, Chief Financial Officer:**

Cameron Lawrence Oded Shein

Mr. Lawrence Shein has served as our Executive Vice President, Chief Financial Officer since ~~January, 2024~~ April, 2024, at our headquarters in Pittsburgh, Pennsylvania. ~~He served as our Senior Vice President Finance, Chief Accounting Officer from October, 2020 to January, 2021, in Pittsburgh, Pennsylvania. He served as Senior Vice President Finance, Chief Accounting Officer for our predecessor, General Nutrition Corporation, from April, 2019 to October, 2020, in Pittsburgh, Pennsylvania. From May, 2018 to April, 2019, he served as Chief Operating & Financial Officer at Ondine Biomedical and Chief Administrative Officer at Shift Technologies, Inc., in Vancouver, British Columbia, Canada. From June, 2016 to May, 2018, he served as General Manager & CEO, and from . from March, 2021 to October, 2023, in Charlotte, North Carolina. He served as Chief Financial Officer for The Fresh Market from August, 2018 to September, 2012 to June, 2016, as 2020, in Greensboro, North Carolina. He served as Executive Vice President, Chief Financial Officer, at PNI Digital Media Ltd., in Vancouver, British Columbia, Canada. Stage Stores, from January, 2011 to August, 2018, in Houston, Texas.~~

**Executive Senior Vice President, & Chief Merchandising Legal Officer:**

David J. Sullivan Karlyn Mattson

~~Ms. Mattson~~ Mr. Sullivan has served as our ~~Executive Senior~~ Vice President, ~~and~~ Chief ~~Merchandising Legal~~ Officer since ~~August, 2024~~ June, 2022, at our headquarters in Pittsburgh, Pennsylvania. ~~She He~~ served as ~~the our Vice President & Acting General Manager Merchandise Strategy, New Business Development and Women’s Fashion for the Zappos family of companies Counsel~~ from ~~December, 2018~~ May, 2021 to ~~July, 2024~~ June, 2022, at our headquarters in ~~Las Vegas, Nevada. She~~ Pittsburgh, Pennsylvania. ~~He~~ has also served as ~~Chief Merchandising Officer for Famous Footwear from February, 2017 to November, 2018, in Saint Louis, Missouri. She served as Vice President/GMM of Merchandising from February, 2015 to January, 2017, as Vice President/DMM Merchandising from June, 2011 to January, 2015, and as Director of Merchandise Planning from June, 2008 to June, 2011, at Target Corporation, in Minneapolis, Minnesota & General Counsel, Regulatory Affairs, for General Nutrition Centers, Inc. since March, 2013, in Pittsburgh, Pennsylvania.~~

**Senior Vice President, Chief Information International Officer:**

Scott Saeger Cheri Mullen

~~Ms. Mullen~~ Mr. Saeger has served as our Senior Vice President, Chief ~~Information International~~ Officer since ~~March~~ November, 2022, at our headquarters in Pittsburgh, Pennsylvania. ~~He~~ She served as our Vice President, Chief ~~Information International~~ Officer, from May, 2021 to November, 2022, and as our Vice President, Global Franchise Operations and FP&A, from October, 2020 to March 2022 May, 2021, at our headquarters in Pittsburgh, Pennsylvania. From ~~January, 2020~~ April, 2000 to October, 2020, ~~he~~ she served as ~~Vice President, Chief Information Officer, and from May, 2018 to January, 2020, as Vice President, Global~~

~~Technology Officer, in various positions for our predecessor, General Nutrition Corporation, in Pittsburgh, Pennsylvania. He served: as Vice President, Global Franchise Operations and FP&A, from August, 2019 to October, 2020; as Vice President, Enterprise Applications and Operations at 1 800 Flowers from March, 2016 International Strategic Planning and FP&A, from May, 2018 to August, 2019; as Senior Director of Operations, International Franchising, from October, 2013 to May, 2018, in Medford, Oregon. He served as Vice President of IT at The EADS Company from March, 2014 to March, 2016, in Houston, Texas.; as Director of Operations, International Franchising, from October, 2010 to October, 2011; and as to October, 2013; as Manager, International Financial Operations, from October, 2011 2022, as Senior Strategic Financial Analyst, from March, 2010 to October, 2010; and as Senior Accountant, from April, 2000 to March, 2010.~~

**Vice President, U.S. Franchise Operations:  
II, Real Estate/Construction/Facilities**

**John  
Schroeder  
Richard  
Rembert III**

Mr. ~~Schroeder~~Rembert has served as our Vice President, ~~U.S. Franchise Operations II, Real Estate/Construction/Facilities~~, since ~~April~~May, 2023, at our headquarters in Pittsburgh, Pennsylvania. He served as our ~~Divisional Franchise Director~~Vice President, Facilities and Construction, from ~~May~~, 2021 to ~~April~~May, 2023, and as our ~~Director of Franchise Operations~~Head of Global Procurement and Asset Management from October, 2020 to ~~May~~, 2021, at our headquarters in Pittsburgh, Pennsylvania. He served ~~as~~in the ~~Director of Franchise Operations~~following roles for our predecessor, General Nutrition Corporation from ~~March, 2019 to October, 2020~~, in Pittsburgh, Pennsylvania. ~~He served as Vice President for EPIC Insurance Brokers & Consultants from February,; as Head of Global Procurement and Asset Management, from 2018 to October, 2020; as Senior Director of Construction and Facilities Management, from 2016 to 2018; in Houston, Texas; as Senior Director of Purchasing and Asset Management, from 2013 to 2016; as Director of Purchasing and Cost Containment, from 2006 to 2013; and in various other development and operational roles, from 1997 to 2006.~~

**Senior Director, Franchising:**

**Sarah Peters**

Ms. Peters has served as our Senior Director, Franchising since ~~October, 2020~~May, 2024, at our headquarters in Pittsburgh, Pennsylvania. She served as our Director, Franchising, from October, 2020 to May, 2024, at our headquarters in Pittsburgh, Pennsylvania. She served as Director, Franchising, for our predecessor, General Nutrition Corporation, from December, 2019 to October, 2020, in Pittsburgh, Pennsylvania. She served as Sr. Manager, Franchise Operations for General Nutrition Corporation from March, 2017 to December, 2019, in Pittsburgh, Pennsylvania. She served as Sr. Director, Retail Business Systems at Giant Eagle, Inc. from April, 2010 to December, 2016, in Pittsburgh, Pennsylvania.

**Senior Manager, Market Development:**

**Timothy  
Palma**

~~Mr. Palma has served as our Senior Manager, Market Development since October, 2020, at our headquarters in Pittsburgh, Pennsylvania. He served as Senior Manager, Market Development for our predecessor, General Nutrition Corporation, from December, 2019 to October, 2020, in Pittsburgh, Pennsylvania. He also served as Manager, Market Development from February, 2017 to November, 2019, as Real Estate Analyst from April, 2014 to January, 2017, and as Lease Administrator from August, 2011 to March, 2014, at General Nutrition Corporation, in Pittsburgh, Pennsylvania.~~

**Director, Market Development:**

**Timothy Palma**

Mr. Palma has served as our Director, Market Development since June, 2023, at our headquarters in Pittsburgh, Pennsylvania. He served as our Senior Manager, Market Development, from October, 2020 to June, 2023, at our headquarters in Pittsburgh, Pennsylvania. He served as Senior Manager, Market Development for our predecessor, General Nutrition Corporation, from December, 2019 to October, 2020, in Pittsburgh, Pennsylvania. He also served as Manager, Market Development from February, 2017 to November, 2019, as Real Estate Analyst from April, 2014 to January, 2017, and as Lease Administrator from August, 2011 to March, 2014, for our predecessor, General Nutrition Corporation, in Pittsburgh, Pennsylvania.

**Manager, Market Development:**

**Sharon Z. Knox**

Ms. Knox has served as our Manager, Market Development since October, 2020, at our headquarters in Pittsburgh, Pennsylvania. She served as Manager, Franchise Development for our predecessor, General Nutrition Corporation, from November, 2017 to October, 2020, in Pittsburgh, Pennsylvania. From November, 2016 to November, 2017, she served as Franchise Development Specialist, and from February, 2003 to November, 2016, as an Executive Assistant, at General Nutrition Corporation, in Pittsburgh, Pennsylvania.

## ITEM 3

### LITIGATION

#### OUR PENDING ACTIONS

~~[Alexander Mercado and Monica Espaillat, individually and on behalf of all others similarly situated v. GNC Holdings, LLC](#) (U.S. District Court for the Southern District of New York, Case No. 1:23-cv-01572 JSR). On February 27, 2023, the plaintiffs, who are GNC customers, filed this putative class action lawsuit against us, alleging that we engaged in false and deceptive advertising by labeling and marketing GNC's "Total Lean" products as "lean." Plaintiffs claim that the bars do not meet federal standards for a "lean" product and do not contain any less fat than similar non lean protein products on the market. Plaintiffs allege that we violated New York Gen. Bus. Law §349 and §350 by making false, misleading, and deceptive representations and engaging in false advertising regarding the fat content of these products to mislead consumers into believing the products were "lean." They also allege that we breached express and implied warranties by falsely representing the products as lean. The plaintiffs are seeking nationwide class certification; unspecified compensatory, statutory, and punitive damages; restitution; declaratory and injunctive relief enjoining us from continuing our current practices regarding these products; and interest, costs, and attorneys' fees. In April 2023, we filed a motion to dismiss. This matter remains pending.~~

~~[ONI Global Pte. Ltd. \(Singapore and Philippines\), et al. v. GNC Holdings, LLC, International Centre for Dispute Resolution, American Arbitration Association, Case No. 01-22-0002-2259; Case. No. 01-22-0002-2885.](#) On or about May 31, 2022, the claimants, international GNC franchisees, filed two arbitration demands for GNC's alleged breach of Distribution Agreements and related agreements involving operations in Singapore and the Philippines. Shortly thereafter, claimants attempted to terminate the agreements on account of our alleged material and anticipatory breaches. GNC unilaterally filed its own demands for arbitration for ONI's conversion of GNC franchise stores in Singapore and the Philippines to claimants' own, competing "LAC" brand stores. Claimants are seeking full relief for GNC's alleged multiple breaches and anticipatory repudiation of the agreements, including a declaration that claimants were entitled to terminate the agreements; a declaration that the post-termination provisions of the Agreement were discharged by our alleged material breaches and anticipatory repudiation of the agreements or are otherwise inapplicable and/or unenforceable; and compensation for the claimants' substantial losses in an amount to be quantified in the course of arbitration proceedings. On June 15, 2022, we filed an amended answer and counterclaims, including for breach of contract. We are seeking a permanent injunction to prevent claimants from operating GNC-franchised retail stores in Singapore and the Philippines and from using our confidential information and trade secrets, and to compel them to transfer store leases to us or our designee. We are also seeking monetary damages, punitive damages, and attorneys' fees and costs. ~~This matter is currently~~[The arbitration hearing was held in October, 2023, and closing arguments were held in February, 2024. The parties are waiting on the arbitration tribunal's ruling. This matter remains](#) pending.~~

~~[ONI Global \(Malaysia\) Sdn Bhd. and ONI Retail PTE Ltd. Taiwan Branch v. GNC Holdings, LLC, International Centre for Dispute Resolution, American Arbitration Association, Case No. 01-21-0004-3516.](#) On or about June 19, 2021, the claimants, international GNC franchisees, filed a demand for arbitration for wrongful termination of claimants' distribution and development agreements for the territories of Malaysia and Taiwan and their 133 franchise agreements for GNC stores in Malaysia and Taiwan. Prior to filing the demand, we had terminated all of claimants' distribution, development and franchise agreements for claimants' failure to meet certain contractually required minimum purchase amounts under the distribution agreements. Shortly thereafter, claimants attempted to terminate the agreements on account of our alleged material and anticipatory breaches. Claimants allege that we arbitrarily and wrongfully terminated their agreements, and that this was a material breach and/or anticipatory repudiation of their agreements.~~

Claimants are seeking a declaration that the termination breached the agreements and/or the implied duty of good faith and fair dealing; a declaration that our alleged breach was a material and/or anticipatory breach of the agreements; a declaration that claimants were either entitled to terminate the agreements for material breach or were discharged from their obligations under the agreements; a declaration that we are liable in tort for conspiring with others to injure claimants; an order for unspecified damages, losses, and costs incurred by claimants; and an order for interest on all damages. On November 24, 2021, we filed an amended answer and counterclaims alleging breach of contract; violations of the Lanham Act (for claimants' infringement of our trademarks); abuse of process and bad faith litigation; unjust enrichment; tortious interference with contractual relations; and tortious interference with prospective contractual relations. We are seeking a permanent injunction to prevent claimants from operating GNC-franchised retail stores in Malaysia and Taiwan and from using our confidential information and trade secrets, and to compel them to transfer and sell their store leases and products to us or our designee. We are also seeking monetary damages, punitive damages, and attorneys' fees and costs. [This matter is currently pending The arbitration tribunal found in our favor in Taiwan, but found that we did not meet our burden in Malaysia. We were awarded monetary damages for ONI's breaches. ONI continues to contest the award.](#)

[Maxiva S.A. de C.V. \(Mexico\) v. GNC Holdings, LLC, et al., American Arbitration Association, AAA Case No. 01-23-0003-4773. On August 4, 2023, claimant, our exclusive franchisee and distributor in Mexico, filed an arbitration demand alleging breach of existing development, franchise, and distribution agreements with claimant and tortious interference with claimant's third-party suppliers. Specifically, claimant alleges GNC interfered with claimant's third-party contractual business relationships by compelling third-party providers to sell their products directly to GNC while GNC unilaterally imposed price increases on the sale of those same products to claimant. Claimant also alleges that GNC violated claimant's right to acquire GNC brand products at the same prices as U.S. franchisees by proposing that it would offer a Latin American product line, limiting claimant's purchases to a modified range of products at higher prices than those offered to U.S. franchisees. Claimant further alleges that GNC failed to adequately and timely supply products to claimant. Claimant alleges that GNC's actions have constrained claimant's ability to supply and operate its stores and have caused financial harm to claimant. Claimant alleges causes of action for breach of contract and for tortious interference with existing and prospective contractual relations, by approaching claimant's third-party providers and pressuring them to enter into sales contracts for the same products that had previously been supplied to claimant, and by forcing claimant to purchase those same third-party products through GNC at higher prices. Claimant is requesting an award as follows: a declaration that GNC breached its agreements with claimant by improperly interfering with claimant's third-party supplier relationships, by announcing its intention to limit claimant's purchases of GNC products to the Latin American assortment at presumptively higher prices, and by failing to adequately supply products to claimant; an order requiring GNC to comply with its agreements with claimant by ceasing any interference with claimant's third-party suppliers, by not limiting claimant's purchases to products and prices contained in the Latin American assortment and maintaining claimant's position of parity with U.S. franchisees, and by honoring its commitments under the agreements with claimant; and an order requiring GNC to pay claimant unspecified damages and claimant's costs of arbitration. On September 5, 2023, GNC filed an answer statement and counterclaims against claimant in response to the arbitration demand, disputing claimant's claims and asserting additional defenses. GNC has also asserted counterclaims in the action, namely that claimant breached its duty to purchase third-party products directly from GNC, that claimant failed to comply with applicable regulations by offering products whose formulations did not correspond to original formulations approved by Mexican healthcare authorities, and that that foregoing actions constituted breaches of the agreements with GNC. GNC is seeking a declaration that claimant breached the agreements; unspecified actual, incidental, and consequential damages; and an order requiring claimant to pay GNC's costs and attorneys' fees.](#)

## PENDING ACTIONS OF OUR PREDECESSOR

This section describes the pending actions of our predecessor. Our predecessor's bankruptcy plan (*see* Item 4 for more information) provides for the discharge of all claims arising prior to the effective date of the plan, in exchange for the treatment of such claims as set forth in the plan. Pursuant to the plan, confirmation of the plan (i) discharges all claims or other debts that arose at any time before the effective date of the plan, and (ii) serves as a broad permanent injunction against all persons who have held, hold, or may hold claims or other debt or liability against any of the debtors or the debtors' assets or properties.

Oosha Yusupov vs. GNC Holdings, Inc. (Supreme Court of New York, County of Queens, Case No. 701041/2020). On January 21, 2020, plaintiff, a GNC customer, filed a complaint against the former franchisor's parent company alleging that the supplement Biotin sold at GNC stores presents the consumer with materially deceptive health benefit representations, which appear conspicuously on the front of each product, and that the Biotin products do not warn of the serious danger that taking mega-doses of Biotin will make medical tests materially inaccurate. Plaintiff claims that she suffered injury through her purchase of Biotin, and that defendant's representations and sales practices are omissive, deceptive and misleading in violation of the New York Consumer Protection from Deceptive Acts and Practices Law, N.Y. Gen. Bus. Law section 349. Plaintiff is seeking declaratory and injunctive relief, unspecified actual and statutory damages, and attorneys' fees and costs. The plan administrator in the bankruptcy case described in Item 4 of this disclosure document is currently evaluating and handling all claims of which it has been made aware filed against the former franchisor and its affiliated debtor companies. We are unaware of the status of this matter, despite repeated efforts to obtain updates from our predecessor.

Environmental Research Center, Inc. vs. General Nutrition Corporation, General Nutrition Centers, Inc., and GNC Holdings, Inc. (Superior Court of the State of California, Alameda County, Case No. RG19024023). On June 21, 2019, plaintiff, a non-profit California corporation, filed a complaint against the former franchisor and its parent companies claiming that numerous products sold at GNC stores contain lead and cadmium. Plaintiff alleges that these chemicals have been officially listed by the State of California as chemicals known to cause cancer, birth defects, and other reproductive harm, and that defendants have sold certain identified products that contain these chemicals in California without requisite warning information. Plaintiff alleges causes of action for violation of Health and Safety Code section 25249, et seq., by knowingly exposing individuals who ingest these products to lead and cadmium without first providing a clear and reasonable warning to such individuals as required by the statute. Plaintiff seeks injunctive relief, civil penalties, and attorneys' fees and costs. The plan administrator in the bankruptcy case described in Item 4 of this disclosure document is currently evaluating and handling all claims of which it has been made aware filed against the former franchisor and its affiliated debtor companies. We are unaware of the status of this matter, despite repeated efforts to obtain updates from our predecessor.

Erika McCartney, in the public interest v. GNC Corporation, GNC, Inc., GNC Holdings, Inc., GNC Parent Corporation, et al (Superior Court of California, Alameda County, Case No.: RG17882105). On January 15, 2019, plaintiff, a resident of California, filed an Amended Complaint alleging that certain products sold at GNC stores contain lead. Plaintiff claims that the alleged conduct violates the warning provision of California's Proposition 65, Health and Safety Code section 25249.5, et seq., which makes it unlawful for businesses to knowingly and intentionally expose individuals in California to chemicals known to the State to cause cancer, birth defects, or other reproductive harm without providing clear and reasonable warnings to individuals prior to their exposure. Plaintiff claims that defendants have introduced products contaminated with significant quantities of lead into the California marketplace, exposing consumers of the products to lead, and that defendants have provided no warning about the reproductive hazards associated with lead exposure. Plaintiff seeks for the court to assess civil penalties against defendants, to enjoin defendants from committing further violations of Health and Safety Code section 25249.5, and to award attorneys' fees and costs. The plan administrator in the bankruptcy case described in Item 4 of this disclosure document is currently evaluating and handling all claims of which it has been made aware filed

against the former franchisor and its affiliated debtor companies. We are unaware of the status of this matter, despite repeated efforts to obtain updates from our predecessor.

Tawney L. Chevalier, et al. v. General Nutrition Centers, Inc. and General Nutrition Corporation (Court of Common Pleas, Allegheny County, Pennsylvania, No. 13-017194, Superior Court of Pennsylvania, No. 1437 WDA 2016). The case was filed in the Court of Common Pleas of Allegheny County, Pennsylvania, on September 19, 2013, as a class action on behalf of all GNC employees in Pennsylvania who were paid overtime pursuant to the fluctuating workweek (“FWW”) method of compensation. Plaintiffs allege that the Pennsylvania Minimum Wage Act (“PMWA”) does not permit defendants to use the FWW method. In 2014, the Court agreed with plaintiffs, holding that the FWW method was not consistent with the public policy objectives of the PMWA. In May 2016, the Court ruled that it would not consider whether defendants were permitted to use the “basic rate” formula of 34 Pa. Code § 231.43(d)(3) to calculate overtime compensation. The Court also ruled that under the PMWA, the calculation of overtime on the payment of commissions requires that commissions must be divided by 40 hours, then multiplied by 1.5 times the number of overtime hours. On July 15, 2015, the Court certified this case as a class action on behalf of current and former employees in Pennsylvania who were paid using the FWW method on or after September 18, 2010. On September 6, 2016, the court entered judgment in favor of the class in the amount of \$1.73 million. On December 29, 2016, the Court awarded plaintiffs’ counsel \$360,000 in attorney’s fees plus \$8,000 in litigation costs. Defendants filed an appeal and submitted that the FWW is lawful under Pennsylvania law, that its approach to calculating overtime on commissions is lawful, and that the Court erred in awarding a 1.5x multiplier on the award of attorney’s fees. On December 22, 2017, the Pennsylvania Superior Court held that the Company correctly determined the “regular rate” by dividing weekly compensation by all hours worked (rather than 40), but held that the regular rate must be multiplied by 1.5 (rather than 0.5) to determine the amount of overtime owed. Defendants filed a petition for appeal to the Pennsylvania Supreme Court on January 22, 2018. The Pennsylvania Supreme Court accepted GNC’s petition for appeal and subsequently ruled in favor of plaintiffs. The case was remanded to the lower court for final disposition. The plan administrator in the bankruptcy case described in Item 4 of this disclosure document is currently evaluating and handling all claims of which it has been made aware filed against the former franchisor and its affiliated debtor companies. We are unaware of the status of this matter, despite repeated efforts to obtain updates from our predecessor.

## OUR PRIOR ACTIONS

Except for the prior actions of our predecessor described below, there are no completed actions that are required to be disclosed in this disclosure document.

### PRIOR ACTIONS OF OUR PREDECESSOR

Richa Arora, Randy Clinton, and Walter Johnston vs. GNC Holdings, Inc. (U.S. District Court, Northern District of California, Case No. 3:19-cv-02414). On May 3, 2019, plaintiffs, GNC customers, filed this putative class action against the former franchisor's parent company, which alleged that it engaged in unlawful, deceptive, and misleading labeling and marketing of certain GNC-branded dietary supplements. Plaintiff claimed that these products contained structure/function claims without proper disclaimers. Plaintiff alleged that defendant violated the California Unfair Competition law, Cal. Bus. & Prof. Code sections 17200 et seq., by engaging in unlawful, unfair or fraudulent business practices by allegedly mislabeling certain of its proprietary brand supplements; that defendant violated the California False Advertising Law, Cal. Bus. & Prof. Code sections 17500 et seq., by engaging in untrue and misleading advertising with respect to these supplements; that defendant violated the California Consumers Legal Remedies Act, Cal. Civ. Code sections 1750 et seq., by engaging in unfair or deceptive acts and practices; and that defendant violated the New York Consumer Protection from Deceptive Acts and Practices Law, N.Y. Gen. Bus. Law sections 349 et seq., because defendant's labeling and marketing of these supplements constituted deceptive practices and false advertising, as such conduct misled plaintiffs as to the characteristics and value of the supplements. The complaint also contained a cause of action for unjust enrichment. Plaintiffs sought declaratory and injunctive relief, statutory damages, unspecified monetary damages, punitive damages, interest, and attorneys' fees and costs. After the effective date of the bankruptcy plan of our predecessor and its affiliated debtor companies (*see* Item 4), this matter was resolved. The plaintiffs reached a joint settlement with us and our predecessor, pursuant to which we paid an immaterial sum to plaintiffs due to concerns regarding their administrative claim in our predecessor's bankruptcy.

Elizabeth Naranjo et al. v. General Nutrition Corporation (Superior Court of California, Alameda County, Case No. RG-12619626). On February 29, 2012, former Senior Store Manager, Elizabeth Naranjo, individually and on behalf of all others similarly situated, sued the former franchisor in the Superior Court of Alameda County, California. The case was filed as a class action on behalf of Manager Trainees, Store Managers and Senior Store Managers, who claimed that they worked off-the-clock, were not provided with their meal/rest breaks, and that defendant failed to reimburse their business expenses (mileage). Plaintiffs were also pursuing derivative claims for waiting time penalties and wage statement penalties (based on the alleged off-the-clock work and meal/rest period violations). Plaintiffs also sought penalties under the California Private Attorney General Act (PAGA). On October 23, 2014, the court granted Plaintiffs' motion for class certification on their California Labor Code claims. For several years, plaintiffs submitted a number of proposed trial plans. In March 2016, the court indicated that plaintiffs finally submitted a trial plan sufficient to permit discovery to continue and to set a trial date. In June 2018, the court granted in part and denied in part defendant's Motion for Decertification. In August 2018, the plaintiff voluntarily dismissed the class action claims alleging overtime violations. After the effective date of the bankruptcy plan of our predecessor and its affiliated debtor companies (*see* Item 4), the parties apparently reached a settlement of this matter, and the case has been dismissed. However, we are unaware of the details regarding the settlement, despite repeated efforts to obtain settlement information from our predecessor.

Christina Labajo, Howard Clark, and Berry Saizon v. General Nutrition Corporation (Superior Court of California, County of San Francisco, Case No. CGC-19-574459). On March 12, 2019, plaintiffs filed this lawsuit against the former franchisor seeking to restrain it from selling dietary supplements allegedly mislabeled with unlawful disease claims in California, specifically products that allegedly claimed

to cure, treat, mitigate or prevent diseases or conditions like hypercholesterolemia, coronary heart disease and osteoporosis. Plaintiffs alleged that defendant sold several products that made these unlawful claims. Plaintiffs alleged causes of action against defendant for unlawful business practices in violation of California's Unfair Competition Law (Bus. & Prof. Code section 17200, et seq.) by allegedly selling products as new drugs without the approval of the FDA, and for violation of the Consumer Legal Remedies Act (Cal. Civil Code section 1750, et seq.) by allegedly labeling and advertising products with disease and drug claims without approval as being safe and effective for their labeled purposes. Plaintiffs sought an injunction enjoining defendant from manufacturing or selling products with unapproved drug or disease claims, unspecified compensatory damages and attorneys' fees and costs. On or about January 6, 2020, the parties entered into a settlement agreement, pursuant to which defendant agreed, within 180 days of the settlement date, not to make claims regarding certain cholesterol and bone products' effects on cholesterol or bone health without including qualifying language that the effects are associated with those with "already normal" cholesterol or "already healthy" bones. Defendant also agreed to pay plaintiffs and plaintiffs' attorneys the total sum of \$75,000. Plaintiffs agreed to dismiss the lawsuit with prejudice and to release defendant from all claims relating to plaintiffs' allegations in the complaint.

Sean Jordan v. General Nutrition Corporation, GNC Holdings, Inc., and GN Oldco Corporation (Circuit Court of Cook County, Illinois, Case No. 2018-L-001676). On February 15, 2018, plaintiff, a GNC customer, filed this lawsuit alleging injuries from consumption of the GNC Live Lean & Fit Pack dietary supplement. Plaintiff alleged causes of action for negligence and strict product liability, for failing to use reasonable care in designing, manufacturing, marketing, labeling, packaging and selling the product, for failing to warn foreseeable users of the potential health hazards associated with use of the product, and for placing the product in the stream of commerce in a defective and unreasonably dangerous condition such that the foreseeable risks exceeded the benefits associated with the formulation of the product. Plaintiff sought unspecified damages, attorneys' fees and costs, and punitive damages. On or about June 10, 2019, the parties entered into a Settlement Agreement and Release, pursuant to which defendants agreed to pay plaintiff the sum of \$45,000, and plaintiff agreed to dismiss the lawsuit with prejudice and to release defendants from any claims relating to the lawsuit.

Craig C. Kyllonen, Kypro Enterprises LLC and K and K GNC, LLC vs. GNC Franchising LLC and General Nutrition Corporation (U.S. District Court for the District of Nevada, Case No. 2:18-01526). On August 16, 2018, plaintiffs, GNC franchisees, filed this lawsuit against the former franchisor. Plaintiffs claimed that defendants failed to provide adequate support and accounting services pursuant to their franchise agreements, and that defendants failed to credit amounts and provide proper discounts to their operating entities. Plaintiffs also claimed that defendants failed to discover embezzlement by one of plaintiffs' employees. Plaintiffs alleged that these actions by defendants caused plaintiffs to suffer considerable losses and to be unable to pay amounts due to defendants and afford adequate inventory. Plaintiffs also alleged that these actions by defendants caused plaintiffs to sell two of their stores back to defendants for less than market value, and to relinquish their other two stores to defendants for less than actual value. Plaintiffs alleged breach of their franchise agreements, unjust enrichment, breach of fiduciary duty, fraud, negligent misrepresentation, tortious interference with contractual relations, breach of implied covenant of good faith and fair dealing, and consumer fraud in violation of the Nevada Deceptive Trade Practices Act. Plaintiffs sought damages in excess of \$75,000, attorneys' fees and costs, and punitive damages. The parties settled this matter on or about July 9, 2019. The parties agreed to mutual general releases and that neither party would disparage or make negative comments regarding each other to any other person, which are based upon the acts alleged in the lawsuit. The parties specifically disclaimed any liability to each other, and neither party paid any money to the other party.

Jenna Kaskorkis and Kim Carter, individually and on behalf of all other similarly situated vs. General Nutrition Centers, Inc. and General Holdings Inc. (U.S. District Court, Southern District of California, Case No. 3:16-cv-00990). On April 22, 2016, plaintiffs, GNC customers, filed this putative

class action lawsuit, alleging that defendants violated California Business and Professional Code §§17500, *et seq.*- Untrue, Misleading and Deceptive Advertising, California Civil Code §§1750, *et seq.*- Misrepresentation of the Existence of a Discount, and California Business and Professional Code §§17200, *et seq.*- Unlawful Business Acts and Practices, by misleadingly marketing and advertising their products on www.gnc.com as discounted from the “Regular Price” when such discounts were illusory and/or overstated. Plaintiffs sought class certification, unspecified monetary damages, restitution and/or disgorgement, injunctive relief, and attorneys’ and experts’ fees and costs. In December 2019, the court approved a settlement agreement in this case, which had previously been consolidated with the Gennock and Harrison cases below. The settlement terms are described in the Harrison case below.

Ashley Gennock and Daniel Styslinger, individually and on behalf of all others similarly situated vs. General Nutrition Centers, Inc. and GNC Holdings, Inc. (U.S. District Court, Western District of Pennsylvania, Case No. 16-633). On May 17, 2016, plaintiffs, GNC customers, filed this putative class action lawsuit alleging two causes of action, one for violation of the Pennsylvania Unfair Trade Practices and Consumer Protection Law (PUTPCPL), and the other for unjust enrichment. Plaintiffs alleged that defendants misleadingly marketed and advertised their products as discounted from the “Regular Price” when such discounts were illusory and/or overstated. Plaintiffs alleged that GNC’s conduct violated the PUTPCP because defendants made false and misleading statements of fact concerning price reductions, and because defendants’ pricing scheme was deceptive in that it created the likelihood that consumers would be confused and deceived into believing that they were purchasing products at substantial discounts, when they were not. Plaintiffs sought class certification, unspecified monetary damages, declaratory and injunctive relief, restitution, and attorneys’ fees and costs. In December 2019, the court approved a settlement agreement in this case, which had previously been consolidated with the Kaskorkis case above and the Harrison case below. The settlement terms are described in the Harrison case below.

Kenneth Harrison, an individual on behalf of himself and all others similarly situated v. General Nutrition Centers, Inc.; GNC Holdings, Inc. and Does 1 through 25 inclusive (U.S. District Court, Southern District of California, Case No. 16-cv-3086). On December 23, 2016, plaintiffs, GNC customers, filed this putative class action lawsuit, alleging that defendants’ website included written misrepresentations regarding price discounts by advertising a regular price for products that was inaccurate, inflated and arbitrary together with a sale price that purported to reflect steep discounts off the falsely advertised regular price, but which were in reality not sales prices or discounts at all. Plaintiff claimed that these allegedly misleading pricing practices violated three state statutes: California Business and Professional Code §§17500, *et seq.*-Untrue, Misleading and Deceptive Advertising; the Consumer Legal Remedies Act, California Civil Code §§1750 *et seq.* - Misrepresentation of the Existence of a Discount (Injunctive Relief Only with Reservation); and California Business and Professional Code §§17200, *et seq.* - Unlawful Business Acts and Practices. Plaintiffs sought class certification, a declaratory judgment that defendants’ conduct violated the identified state statutes, unspecified compensatory and punitive damages, prejudgment interest, restitution and/or disgorgement of profits, injunctive relief, and reasonable attorneys’ fees and costs. In December 2019, the court approved a settlement agreement in this case, which had previously been consolidated with the Kaskorkis and Gennock cases above. Defendants agreed to make available the total amount of \$6,000,000 in monetary consideration to create a settlement fund for the benefit of settlement class members. The settlement fund amount consisted of (i) cash payment of settlement administration expenses, service payments to each representative plaintiff, class counsel fees and expenses, and the total aggregate dollar value of all eligible claimants’ cash claims; (ii) issuance of vouchers to eligible claimants, the aggregate dollar value of which is to be applied as a credit to defendants’ obligation to pay the settlement fund; and (iii) coupons issued to settlement class members, the aggregate value of which is to be applied to defendants’ obligation to pay the settlement fund. The settlement class consisted of all persons who, from January 1, 2012, through the preliminary settlement approval date, purchased any product on sale or through a promotion from defendants’ website. Settlement class members were entitled to a one-time coupon for \$30 off a \$100 purchase through defendants’ website only, and either (i) a cash

payment of \$5.00, or (ii) a voucher worth \$15.00, which amounts could be adjusted based on the number of eligible claimants. Plaintiffs agreed to release defendants from all claims relating to plaintiffs' allegations in the complaints.

Darren Hartman, Patricia Hartman, Avowood, Inc., and Callamac, Inc. v. General Nutrition Corporation, GNC Holdings, Inc., and GNC Franchising, Inc. (Court of Common Pleas, Allegheny County, Pennsylvania, Case No. GD-1-002047). On February 18, 2018, plaintiffs, former GNC franchisees, filed this lawsuit. Plaintiffs alleged two causes of action, the first for breach of contract and the implied covenant of good faith and fair dealing. Plaintiff alleged that defendants breached the Franchise Agreement by failing to develop, promote and protect the goodwill and reputation associated with the defendants' trade names and trademarks; by mismanaging defendants on a corporate level; by allowing franchisees to violate the Franchise Agreements resulting in price undercutting of ethical franchisees; by misrepresenting the nature of its rewards programs; by failing to compete ethically in the marketplace in violation of the franchise operations manual; and by failing to comply with applicable laws and regulations as contemplated by the franchise operations manual and Franchise Disclosure Document. Plaintiffs alleged that defendants' breaches harmed franchisees by diminishing the value and profitability of their franchised stores. Plaintiffs also alleged a second cause of action seeking to have the post-termination covenant not to compete in the Franchise Agreement declared unenforceable. Plaintiffs sought unspecified compensatory and consequential damages, pre-judgment and post-judgment interest, attorneys' fees and costs, a judgment allowing plaintiffs to rescind their Franchise Agreement and terminate their relationship with franchisor, and a judgment declaring the non-competition covenant in the Franchise Agreement unenforceable. On or about April 30, 2019, the parties entered into a Confidential Settlement Agreement and General Release. Defendants agreed to pay plaintiffs the sum of \$160,000, and the parties agreed to mutual general releases. Plaintiffs agreed that their rights and interests in their franchises were immediately terminated.

Kwanita Beecham, on behalf of herself and all others similarly situated vs. General Nutrition Corporation, GNC Holdings, Inc. and GNC Corporation (Superior Court of San Diego, California, Case No. 37-2018-0006559-CU-MC-CTL). On December 27, 2018, plaintiff filed this putative class action lawsuit against defendants based on defendants' alleged false and misleading advertising that its biotin dietary supplement products provide meaningful hair, skin and nail health benefits. Plaintiff alleged that defendants knew or should have known that its biotin products did not provide the advertised benefits. Plaintiffs alleged causes of action against defendants for violation of the California Unfair Competition Law (Cal. Bus. & Prof. Code section 17200, et seq.) by making misrepresentations and omissions of material facts in its advertising and labeling; for violation of the California Consumers Legal Remedies Act (Cal. Civ. Code section 1750, et seq.) by falsely representing that the biotin products were beneficial for hair, skin and nail health; for violation of the California False Advertising Law (Cal. Bus. & Prof. Code section 17500) by making untrue or misleading representations that its biotin products were beneficial for hair, skin and nail health; and for breach of express warranty. Plaintiff was seeking class certification, restitution and disgorgement of profits, injunctive relief, interest, and attorneys' fees and costs. On February 7, 2019, the parties entered into a settlement agreement, pursuant to which defendants agreed to pay plaintiff \$24,000, and plaintiff agreed to release defendants from all claims relating to plaintiff's allegations in the complaint.

Sean Wagner, individually and on behalf of all others similarly situated vs. General Nutrition Corporation (U.S. District Court, Northern District of Illinois, Case No. 16-cv-10961). On November 30, 2016, plaintiff, a GNC customer, filed this putative class action lawsuit in which plaintiff alleged that defendant engaged in unfair and/or deceptive business practices by misrepresenting the nature and quality of certain products on the product's labels and through marketing and advertising. The products at issue were various GNC-branded L-Glutamine dietary supplements. Plaintiff alleged causes of action against defendant for violation of state consumer fraud acts (on behalf of the Consumer Fraud Multi-State Class); for violation of the Illinois Consumer Fraud and Deceptive Business Practices Act (On Behalf of the Illinois

Subclass); for breach of express warranty (on Behalf of the National Class) and for unjust enrichment (on Behalf of the National Class). Plaintiff also alleged that defendant violated 21 U.S.C. §343(a)(1), which deems food misbranded when the label contains a statement that is false or misleading. Plaintiff sought an order for class certification; an injunction prohibiting GNC from engaging in unlawful conduct; restitution and disgorgement of profits; unspecified actual, punitive and statutory damages; interest; and attorneys' fees and costs. On July 18, 2018, the parties reached a settlement, pursuant to which defendant agreed to pay plaintiff \$50,000. The parties agreed to mutual releases, and plaintiff agreed to dismiss the lawsuit with prejudice.

Robert J. Jones and Kristen A. Jones (Court of Common Pleas, City and County of Philadelphia, Pennsylvania, Case ID: 180503605). On June 1, 2018, a praecipe for writ of summons was entered in the Court of Common Pleas, Philadelphia County, Pennsylvania, by Robert and Kristen Jones, who were franchisees. The praecipe related to lease negotiations being conducted by the former franchisor with the landlord for their GNC store. During the course of the negotiations, the master lease for the Jones' GNC store expired, and consequently there was no longer leasable space for their GNC store. The parties settled this matter on October 18, 2018. The former franchisor agreed to pay the Jones' \$31,000, and the parties agreed to mutual general releases.

Cole Williams and Novack Lazare v. General Nutrition Centers, Inc. and General Nutrition Corp. (U.S. District Court, District of Connecticut, Case No. 3:14-CV-01429-VLB). On September 29, 2014, plaintiffs, former employees, filed this putative class action alleging that defendants' policy of calculating overtime for certain non-exempt employees pursuant to the fluctuating workweek ("FWW") was in violation of the Connecticut Minimum Wage Act (CMWA), Conn Gen. Stat. s. 31-58 et seq. Plaintiffs alleged that when they worked more than 40 hours a week, they were underpaid by virtue of defendants' application of the FWW method for calculating overtime compensation. Plaintiffs were seeking class certification, unspecified unpaid overtime compensation under the CMWA, liquidated damages under the CMWA, interest and attorneys' fees and costs. In May 2018, the parties agreed to settle this lawsuit, with defendants agreeing to pay participating class members, named plaintiffs, class counsel and the settlement administrator. Defendants agreed to pay plaintiffs and participating class members an amount up to a cumulative total of \$95,000, exclusive of the employer's share of payroll taxes. Defendants also agreed to pay a service payment allocation (in an amount up to a cumulative total of \$15,000), to be allocated among the class representatives. Defendants also agreed to pay plaintiff's attorneys' fees and costs, and the settlement administrator for administrative services under the settlement agreement. Named plaintiffs and participating class members agreed to release defendants from all settled claims.

Jane Wu, et al. v. General Nutrition Corporation (Superior Court of California, Orange County, Case No. 30-2012-00593759-CU-OE-CXC). On August 24, 2012, former employee, Jane Wu, individually and on behalf of all others similarly situated, sued defendant in the Superior Court of Orange County, California, alleging that certain defendant vacation payment policies and practices upon termination violated the California Labor Code and Business and Professions Code section 17200, et seq., and seeking unpaid vacation, waiting time penalties and attorneys' fees and costs. Defendant endeavored to voluntarily pay the class members for any accrued vacation. On August 17, 2016, the parties entered into a settlement agreement, pursuant to which defendant agreed to pay plaintiff \$15,000, less applicable payroll withholdings. Plaintiff also agreed to release defendant from all settled claims.

Thera Lambert v. General Nutrition Corporation (U.S. District Court, Northern District of Illinois, Case No. 1:17-cv-02149). On November 20, 2017, plaintiff, a GNC customer, filed this putative class action lawsuit, alleging that the defendant product Aloe Vera Skin Gel did not contain any aloe vera, and that the product's label was false, deceptive and misleading, in violation of the Federal Food Drug & Cosmetics Act and its parallel state statutes, and state warranty, consumer protection, and product labeling laws. Plaintiff alleged causes of action for breach of express warranty, violation of state consumer

protection acts, and violation of the Illinois Consumer Fraud and Deceptive Business Practices Act. Plaintiff sought class certification, unspecified actual damages, statutory damages, restitution, interest, and attorneys' fees and costs. On January 25, 2018, the parties entered into a settlement agreement, whereby defendant agreed to pay to plaintiff the sum of \$48,500, and plaintiff agreed to release GNC from any claims relating to the lawsuit.

General Nutrition Centers, Inc. v. Peter E. Arnell (U.S. District Court, Western District of Pennsylvania, Case No. 2:15-cv-00452). On April 2, 2015, plaintiff filed this lawsuit in the U.S. District Court for the Western District of Pennsylvania seeking a declaratory judgment against Peter E. Arnell ("defendant"), a media and branding consultant, after plaintiff received a letter from defendant's attorneys claiming that plaintiff was infringing upon defendant's copyrighted images. Plaintiff had contracted with defendant to provide certain advertising, branding and marketing communications services to plaintiff. Defendant was claiming in his letter that, despite expiration of plaintiff's right and license to use the defendant's images, plaintiff had continued to use the images without plaintiff's permission, license or authority. Plaintiff's lawsuit sought the following declarations: that plaintiff had an implied license to use and display defendant's images; that any claim of copyright infringement was barred by the doctrines of laches and equitable estoppel; that defendant was barred from seeking statutory damages under the federal Copyright Act of 1976; that plaintiff had not engaged in unfair competition under federal and state laws; and that any unfair competition claims were preempted by the Copyright Act. Plaintiff was seeking injunctive relief, restitution, and attorneys' fees and costs. On April 3, 2015, Defendant filed a complaint against plaintiff styled Peter E. Arnell v. General Nutrition Centers, Inc., Case No. 15-cv-02579, in the U.S. District Court for the Southern District of New York, alleging unauthorized use and exploitation of defendant's images by plaintiff. Defendant alleged in his complaint causes of action for copyright infringement by plaintiff in violation of the Copyright Act of 1976 and various state laws, and unjust enrichment. Defendant's complaint was voluntarily dismissed by defendant on May 22, 2015. On November 12, 2015 the parties reached a settlement, pursuant to which defendant granted to plaintiff a perpetual license to use the images at issue in the case, and plaintiff agreed to pay defendant \$300,000.

Patrick Andrew Witte v. General Nutrition Corporation and GNC Parent, LLC (Superior Court for the District of Columbia, Civil Division, Case No. 15-000878). On February 26, 2015, plaintiff, a GNC store customer, filed this lawsuit against defendants alleging a cause of action for unlawful and deceptive trade practices in violation of District of Columbia Code Section 28-3905. Plaintiff alleged that certain products manufactured or carried by defendant were packaged in a deceptive and misleading manner, in that the packaging contains unlawful slack-fill (area of empty space in a bottle or packaging). Plaintiff sought an injunction against defendants, including that defendants be barred from producing proprietary products with so-called non-functional slack-fill in the District of Columbia. He also sought unspecified compensatory and punitive damages and attorneys' fees. On October 5, 2015, the parties reached a settlement pursuant to which defendants agreed to pay plaintiff \$20,000 in full satisfaction of all claims.

Amanda Huffman v. General Nutrition Corporation and GNC Parent, LLC (Superior Court for the District of Columbia, Civil Division, Case No. 15-002081). On March 26, 2015, plaintiff, a GNC store customer, filed this lawsuit against defendants alleging a cause of action for unlawful and deceptive trade practices in violation of District of Columbia Code Section 28-3905. Plaintiff alleged that certain products manufactured or carried by defendants were packaged in a deceptive and misleading manner, in that the packaging contained unlawful slack-fill (area of empty space in a bottle or packaging). Plaintiff sought an injunction against defendants, including that defendants be barred from producing products with so-called non-functional slack-fill in the District of Columbia. She also sought unspecified compensatory and punitive damages and attorneys' fees. On October 26, 2015, the parties reached a settlement pursuant to which defendants agreed to pay plaintiff \$30,000 in full satisfaction of all claims.

Dominic Vargas and Anne Hickok, et al. v. General Nutrition Centers, Inc. and General Nutrition Corporation. (U.S. District Court, Western District of Pennsylvania, Case No. 10-cv-00867). On June 29, 2010, plaintiffs, who were current and/or former employees at company-owned stores, filed this lawsuit against defendants, alleging plaintiffs were required to perform work on an uncompensated basis and that GNC failed to pay overtime for such work in violation of the Fair Labor Standards Act, and that the defendants retaliated against plaintiffs when they complained about the overtime policy, also in violation of the Fair Labor Standards Act. Plaintiffs sought to designate the action as a collective action; a declaration that the practices complained of were in violation of the Fair Labor Standards Act; an injunction restraining GNC from continuing with the alleged course of conduct; an order reinstating named plaintiffs to their discharged positions; unspecified compensatory damages; liquidated damages; interest; and attorneys' fees and costs. The parties reached a settlement agreement on December 5, 2014, pursuant to which defendants agreed to pay the sum of \$350,000 to the class and \$475,000 as attorneys' fees and costs. Defendant also agreed to pay plaintiffs' share of the mediator fees. Per the agreement, the named plaintiffs agreed to dismiss the lawsuit with prejudice, and the named plaintiffs and opt-in plaintiffs were required to agree to a release of claims. The agreement required that the participation rate of opt-in plaintiffs be at least 90% or defendants could void the settlement agreement. The agreement also provided that if the participation rate of opt-in plaintiffs fell below 70%, the payment for attorneys' fees and costs would be reduced as a percentage reduction equal to the percentage of non-participating opt-in plaintiffs which fell below 70%. Two of the plaintiffs also each received an additional payment of \$10,000 in consideration for their dismissal with prejudice of their separate pending retaliation lawsuit.

~~Kaitlin Moore and Adam Zaintz v. GNC Holdings, Inc. (United States District Court for the Southern District of Florida, Case No. 12-cv-61703). On August 30, 2012, plaintiffs, GNC customers, filed this action against defendant, alleging putative class claims for violation of the Florida Deceptive and Unfair Trade Practices Act ("FDUTPA") and unjust enrichment related to sale by defendant of the GNC Pro Performance Creatine Monohydrate supplement. On April 24, 2014, the parties filed a Joint Motion for Settlement and Approval of Class Action Settlement. On April 28, 2014, the court entered an order approving the settlement and dismissing all relevant outstanding motions. Pursuant to the settlement agreement, defendant agreed to change the direction on the label of the product; to pay attorney's fees and costs of \$20,000; and to pay each plaintiff a class representative award in the amount of \$2,500. Plaintiffs agreed to a release of claims.~~

Robino Abad et al. v. General Nutrition Centers, Inc. (U.S. District Court, Central District of California, Case No. SACV09-00190). Plaintiffs were ninety-five current and/or former employees of defendant classified as non-exempt and employed at defendant's company-owned stores throughout the State of California. Plaintiffs alleged that they were not provided all of the rest periods and meal periods to which they were entitled under California law, and that the Company failed to pay them all of the overtime compensation to which they were entitled under California law. From these allegations, plaintiffs identified seven causes of action, including violations of the California Labor Code, unfair competition under California Business and Professions Code Section 17200 et seq., and violation of the California Private Attorney General Act (PAGA). Plaintiffs asserted their PAGA claim on behalf of themselves and all other non-exempt employees of defendant in California employed on or after October 31, 2007. This lawsuit was filed in Orange County Superior Court on November 4, 2008, and was removed to the U.S. District Court, Central District of California on February 17, 2009. Plaintiffs sought unspecified compensatory and statutory damages, restitution, interest, and attorney fees and costs. Initial efforts to mediate the claims of individual plaintiffs in early 2010 were not successful. Plaintiffs also made a global demand to settle this matter for \$1.35 million, which was rejected by defendant. The Court directed the parties to limit the first phase of the litigation to ten plaintiffs as "test" cases. Ultimately, seven of the ten "test case" plaintiffs went to trial in June 2013. The jury returned a verdict in favor of defendant as to all counts tried to the jury, and the court entered judgment in favor of defendant with respect to the one count tried to the court (plaintiffs' PAGA claim). The Court entered final judgment in favor of defendant as to

the claims of the seven plaintiffs. On December 8, 2014, the parties entered into a settlement agreement to settle all claims made by the plaintiffs. Pursuant to the settlement agreement, defendant agreed to pay \$300,000 for plaintiffs' counsel's fees and costs. Defendant also agreed to pay \$250,000 to the plaintiffs, 50% for the claims asserted for unpaid overtime compensation and any other wage-related damages, and 50% for the claims asserted for liquidated damages, interest and other non-wage relief. Plaintiffs agreed to release defendant from any and all claims that were alleged in the lawsuit and/or could have been alleged in the lawsuit that arose out of the facts alleged in the lawsuit, and defendant expressly denied any liability pursuant to the settlement agreement. The court dismissed plaintiffs' lawsuit with prejudice.

David Di Cillo v. GNC Holdings, Inc. (U.S. District Court for the Northern District of California, Case No. 3:14-cv-00810): On January 6, 2014, Plaintiff David Di Cillo, a GNC customer, individually, and on behalf of all others similarly situated, filed a complaint against defendant in California state court alleging violations of California consumer protection and unfair or deceptive trade practices laws in connection with the sale of its Creatine products. This case was subsequently removed to the U.S. District Court for the Northern District of California. On August 4, 2014, the parties entered into a Release and Settlement Agreement, pursuant to which defendant agreed to pay a total of \$50,000 to settle the claims. Defendant also agreed to alter the directions label for its Creatine products, and the parties agreed to mutual releases of claims.

Kevin Gioia and Aurelio Batista v. GNC Holdings, Inc. (U.S. District Court, Southern District of California, Case No. 3:15-CV-2871). On February 19, 2015, Plaintiffs filed this putative class action lawsuit against the former franchisor's parent company alleging causes of action for (a) unfair methods of competition in violation of California Civil Code Section 1770(a)(5), (b) unfair or fraudulent business practices under California's Unfair Competition Law, (c) untrue or misleading advertising under California's False Advertising Law, (d) under New York's Deceptive Acts or Practices Law and for negligent misrepresentation. Plaintiffs alleged that certain products manufactured and carried by defendant were packaged in a deceptive and misleading manner, in that the packaging was opaque and contained "slackfill" (an area of empty space in a bottle or package). Plaintiffs sought both injunctive relief and unspecified compensatory and punitive monetary damages and attorneys' fees. On February 18, 2017, the parties entered into a settlement agreement in which defendant agreed to pay the plaintiffs \$55,000. On March 20, 2017, the U.S. District Court dismissed the suit without prejudice with each party bearing their own fees and costs.

David B. Gottesmann v. GNC Holdings, Inc., GNC Corporation, General Nutrition Corporation, General Nutrition Centers, Inc., and Constellation Brands U.S. Operations, Inc. d/b/a Constellation Wines U.S., Inc. (Circuit Court, 11<sup>th</sup> Judicial Circuit, Miami-Dade County, Florida, Case No. 2015-003636-CA-01). On or about May 29, 2015, plaintiff, a GNC customer, filed this action alleging that he suffered myocardial infarction resulting from his use of Burn 60 dietary supplements manufactured and/or sold by defendants. Plaintiff claims that defendants' failure to warn and manufacture and/or sale of a defective product caused his injuries. Plaintiff alleged causes of action for negligence; strict liability; and violation of the Florida Deceptive and Unfair Trade Practices Act, Fla. Stat. s. 501.201 et seq., based on his allegations that defendants falsely represented to the public that Burn 60 was safe. Plaintiff sought unspecified compensatory and statutory damages, and attorneys' fees and costs. On January 13, 2017, the parties entered into a settlement agreement in which defendants agreed to pay the plaintiff \$22,500. An Order of Dismissal was filed on February 2, 2017.

Charles Brewer, et al. v. General Nutrition Corporation (U.S. District Court, Northern District of California, Case No. 11CV3587). On July 21, 2011, Charles Brewer, on behalf of himself and all others similarly situated, filed this lawsuit against the former franchisor in federal court, alleging state and federal wage and hour claims. Plaintiffs alleged the following claims on behalf of the class: (a) failure to provide meal and rest breaks; (b) non-compliant wage statements; (c) failure to reimburse business expenses

(mileage); (d) failure to pay all wages owed in a timely manner at termination. The class included approximately 8,000 non-exempt hourly employees who worked as Sales Associates and/or Assistant Managers in California from July 2007 to November 2014. Plaintiffs were seeking general damages, special damages, restitution, premium pay penalties pursuant to California Labor Code Section 226, interest, and attorneys' fees and costs. The five named plaintiffs also asserted individual "off-the-clock" claims (although the off-the-clock claim was initially conditionally certified as a collective action, the court subsequently decertified the collective action). Defendant denied the material allegations in the action and was prepared to defend against the claims asserted. During jury selection on February 5, 2016, the parties reached a settlement agreement, and defendant agreed to pay a total of \$9.02 million to plaintiffs. The agreement received Court approval, and the action was dismissed with prejudice.

## **GOVERNMENTAL ACTIONS OF OUR PREDECESSOR**

Consent Decree with the Federal Trade Commission. Our predecessor entered into a Consent Decree with the Federal Trade Commission in 1994, United States of America v. General Nutrition, Inc. (United States District Court, Western District of Pennsylvania, Civ. Act. No. 94 0686). Pursuant to the Consent Decree, our predecessor was enjoined from representing that the use of certain hair care products, including Biotin Hair Care Kit, Biotin Shampoo, Biotin Conditioner, Biotin Vitamins and Minerals for the Hair, and Polysorbate 80, will prevent or retard hair loss. Our predecessor was also prohibited from representing that any other product or service will cure, relieve, reverse or reduce hair loss, or that use of the product or service will promote hair growth where hair has already been lost, unless the representation is true, and unless, at the time of making the representation, it possesses and relies upon competent and reliable scientific evidence that substantiates the representation. Our predecessor was also prohibited from selling or distributing any product that is represented as promoting hair growth or preventing hair loss, unless the product is the subject of an approved new drug application for such purpose under the Federal Food, Drug, and Cosmetic Act, 21 U.S.C. 301 et seq. Our predecessor also agreed to pay a civil penalty of \$2.4 million.

Agreement with United States Attorney's Office for the Northern District of Texas and U.S. Department of Justice. On December 7, 2016, GNC Holdings, Inc., our predecessor's parent company, entered into an agreement with the United States Attorney's Office for the Northern District of Texas and U.S. Department of Justice ("Government") in connection with the Government's criminal investigation of USPlabs, LLC for alleged violation of laws relating to sales of certain dietary supplements manufactured by USPlabs, including OxyElite Pro, Jack3d and VERSA-1. These products were formerly sold in GNC retail stores. During its investigation, the Government uncovered sufficient evidence to conclude that USPlabs provided false information, false assurances and fake documentation to third parties, including our predecessor, about the ingredients used in its products. The Government concluded that our predecessor was unaware of this information because it did not manufacture those products, did not perform an independent evaluation of the ingredients in those products, and had no knowledge of USPlabs' conclusions regarding ingredients in those products. Pursuant to the agreement, the Government agreed to close any active inquiries affecting our predecessor relating to the USPlabs products based in part on our predecessor's acceptance of responsibility for its conduct, its cooperation, its commitment to voluntary compliance measures and organizational changes with respect to its sale of dietary supplements, and its payment of a money sum. Our predecessor agreed to undertake certain voluntary compliance measures intended to prevent illegal ingredients from entering the market, including taking immediate action to suspend sales of products known to contain ingredients that the FDA had indicated may not be legal under federal law and/or may not be safe. Our predecessor also agreed to maintain and continuously update, during the term of the agreement, a list of ingredients that would be prohibited from inclusion in any products sold by a GNC retail store and a list of positive ingredients that it believed complied with applicable provisions of the federal Food, Drug, and Cosmetic Act. Our predecessor agreed that if an ingredient was on the prohibited list, it would not approve any product containing that ingredient for sale,

and that it would only sell dietary supplements containing dietary ingredients on the positive list. Our predecessor also agreed to revise its approach to vendors of third-party products, including setting specific vendor certifications for compliance with applicable federal legal requirements. Vendors would also be required to make certain warranties with regard to dietary supplements, including that the dietary supplements contain only legal dietary ingredients pursuant to the terms of the Food, Drug, and Cosmetic Act. Our predecessor also agreed to amend its purchasing agreements to provide it with the unilateral right to limit the use of promotional money at any time. Our predecessor also agreed to update its training modules and provide additional training for its retail store employees relating to the handling of adverse event reports received from customers. The obligations under the agreement had a term of sixty months from the date of the agreement. Our predecessor agreed to commit at least \$500,000 over the term of the agreement to further certain industry initiatives to improve the quality, purity, integrity and safety of dietary supplement products; regulatory compliance; and credibility, stability and integrity in the supplement industry. Our predecessor also agreed to pay the sum of \$2,250,000 to the United States. The agreement expired by its terms on December 7, 2021 with no further obligations.

Attorney General Rosenblum for the State of Oregon vs. General Nutrition Corporation (Multnomah County Circuit Court, Case No. 15-CV-28591). On October 22, 2015, the Attorney General for the State of Oregon (“Oregon”) filed this lawsuit for alleged violations of the Oregon Unlawful Trade Practices Act (OUTPA), in connection with the sale in Oregon of certain third-party products containing BMPEA and picamilon, which has since been amended to add allegations related to products containing DMAA, oxilofrine, Aegeline, and cynanchum auriculatum. Oregon alleges that our predecessor engaged in acts declared to be unlawful by the OUTPA, including (1) employing unconscionable tactics in connection with the sale of goods, (2) causing the likelihood of confusion or misunderstanding as to the approval or certification of goods, and/or (3) representing that goods have characteristics, uses, benefits or qualities that they do not have. Our predecessor filed an answer that included counterclaims for attorneys’ fees and declaratory relief against Oregon and vendors USP Laboratories and SK Laboratories. The plan administrator in the bankruptcy case described in Item 4 of this disclosure document is currently evaluating and handling all claims of which it has been made aware filed against the former franchisor and its affiliated debtor companies. [This case remains pending. We are unaware of the status of this matter, despite repeated efforts to obtain updates from our predecessor.](#)

In Re: Franchise No Poaching Provisions (General Nutrition Corporation d/b/a GNC (King County Superior Court, State of Washington, Case No. 18-2-57774-8 SEA). In September, 2018, the Attorney General for the State of Washington issued a civil investigative demand to our predecessor relating to certain provisions in its franchise agreements. Specifically, the Attorney General was concerned with the non-solicitation provision in our predecessor’s franchise agreement, which provided that franchisee shall not directly or indirectly employ or seek to employ any person who at the time is employed by franchisor, an affiliate of franchisor, or any other franchisee, or otherwise directly or indirectly induce such person to leave his or her employment. The Attorney General asserted that this provision constituted a contract, combination or conspiracy in restraint of trade in violation of the Washington Consumer Protection Act, RCW 19.86.030. Our predecessor denied the Attorney General’s assertion because, among other reasons, it had not routinely enforced this provision in the State of Washington. On December 20, 2018, our predecessor and the Attorney General entered into an Assurance of Discontinuance. Pursuant to the Assurance of Discontinuance, our predecessor agreed to remove the non-solicitation provision from its franchise agreements; to continue not to enforce the non-solicitation provision in any of its existing franchise agreements; and not to intervene or defend the legality of the non-solicitation provision in any litigation brought by the Washington Attorney General against a franchisee in the state of Washington. Our predecessor also agreed to notify its franchisees of the entry of the Assurance of Discontinuance; to amend, within 120 days after entry of the Assurance of Discontinuance, all existing franchise agreements in the state of Washington to remove the non-solicitation provision; and, as they come up for either renewal or renegotiation during the ordinary course of business, to amend all existing franchise agreements nationwide

to remove the non-solicitation provision. Within 30 days of the conclusion of the time periods in the Assurance of Discontinuance, our predecessor agreed to submit a declaration that all provisions of the agreement had been satisfied. Pursuant to the Assurance of Discontinuance, neither the Assurance of Discontinuance nor its terms were to be construed as an admission of law, fact, liability, misconduct or wrongdoing on the part of our predecessor. On December 20, 2018, the court approved and ordered entry of the Assurance of Discontinuance.

In the Matter of GNC Franchising, LLC. Administrative Proceeding Before the Securities Commissioner of Maryland, Case No. 2005-0537. On or about August 30, 2005, the Securities Division of the Office of the Attorney General of the State of Maryland initiated an investigation into the accuracy of the “Item 3” disclosures in our predecessor’s franchise disclosure document. On August 15, 2006, our predecessor entered into a Consent Order with the Securities Commissioner, pursuant to which it agreed, without admitting or denying any of the Commissioner’s statements of fact or conclusions of law, except as to the Commissioner’s jurisdiction in the proceeding, (1) to immediately and permanently cease and desist from the offer and sale of franchises in violation of the Maryland Franchise Registration and Disclosure Law; and (2) to pay the Securities Division an administrative penalty in the amount of \$100,000.00. In the Consent Order, the Commissioner concluded that our predecessor had violated §§ 14-216(a) and 14-223 of the Maryland Franchise Registration and Disclosure Law by offering and selling franchises in Maryland and to Maryland residents using a franchise disclosure document that failed to set forth material information in the application for registration, as required by regulation of the Commissioner. Specifically, the Commissioner found that, in franchise disclosure documents filed with the Division, our predecessor had erroneously described amounts it had agreed to pay in the settlement of three of the litigation matters disclosed in Item 3 of the franchise disclosure document. Those errors were corrected.

#### **ACTIONS AGAINST FRANCHISEES DURING OUR LAST FISCAL YEAR**

| During our last fiscal year (~~2022~~2023), we did not initiate any actions against franchisees.

## ITEM 4

### BANKRUPTCY

On June 23, 2020, our predecessor, General Nutrition Corporation (the former franchisor) and 16 affiliated companies each filed a voluntary petition for relief under Chapter 11 of the United States Bankruptcy Code in the United States Bankruptcy Court for the District of Delaware. The case number and name of each debtor is as follows:

|          |                                       |
|----------|---------------------------------------|
| 20-11662 | GNC Holdings, Inc.                    |
| 20-11663 | GNC Parent LLC                        |
| 20-11664 | GNC Corporation                       |
| 20-11665 | General Nutrition Centers, Inc.       |
| 20-11666 | General Nutrition Corporation         |
| 20-11667 | General Nutrition Investment Company  |
| 20-11668 | Lucky Oldco Corporation               |
| 20-11669 | GNC Funding, Inc.                     |
| 20-11670 | GNC International Holdings, Inc.      |
| 20-11671 | GNC China Holdco LLC                  |
| 20-11672 | GNC Headquarters LLC                  |
| 20-11673 | Gustine Sixth Avenue Associates, Ltd. |
| 20-11674 | GNC Canada Holdings, Inc.             |
| 20-11675 | General Nutrition Centres Company     |
| 20-11676 | GNC Government Services, LLC          |
| 20-11677 | GNC Puerto Rico Holdings, Inc.        |
| 20-11678 | GNC Puerto Rico, LLC                  |

The address and principal place of business of each of the above debtors was 300 Sixth Avenue, Pittsburgh, Pennsylvania 15222. The cases are being jointly administered under In re: GNC HOLDINGS, INC., et al., Debtors, Chapter 11, United States Bankruptcy Court, District of Delaware, Case No. 20-11662 (KBO). After the initial petitions were filed, the debtors continued to operate their business and manage their assets as debtors-in-possession under bankruptcy court supervision. The debtors pursued either confirmation of a standalone plan of reorganization or consummation of a sale of assets to a third party. On September 18, 2020, the bankruptcy court entered an order approving the sale of substantially all of the assets of debtors to Harbin Pharmaceutical Group Holding Co., Ltd. (“Harbin”), our parent company. The closing of the sale occurred on October 7, 2020. On October 14, 2020, the bankruptcy court entered an order confirming the debtors’ plan of reorganization, which restructured the rights of creditors by providing for certain payments and discharged their claims. On October 30, 2020, the plan became effective.

On June 24, 2020, the above debtors obtained an order from the Ontario (Canada) Superior Court of Justice granting a stay of proceedings in respect of the debtors and their Canadian property and business, pending hearing of the debtors’ application under Part IV of the Canadian Companies Creditors’ Arrangement Act, R.S.C. 1985, c. C-36, as amended (the “CCAA”) to the court to recognize the Chapter 11 proceedings in the U.S. On June 29, 2020, the court granted the recognition orders and an additional order that recognized Canadian store closings pursuant to the Chapter 11 proceedings in the U.S. On October 30, 2020, the Canadian information officer appointed by the court received confirmation of the effective date of debtors’ plan of reorganization, and the information officer filed a certificate which terminated the CCAA recognition proceedings.

## ITEM 5

### INITIAL FEES

#### INITIAL FRANCHISE FEE

Before you are awarded a franchise for a GNC Store, you must sign a Franchise Agreement with us and pay us an initial franchise fee. The initial franchise fee is payable in a lump sum and is fully earned when the Franchise Agreement is signed. The initial franchise fee for a GNC Store varies ~~according to the type of franchise you purchase and is shown in~~ in accordance with the table below. ~~Depending on the type of franchise you are awarded, other~~ Other initial fees that you must pay to us before you open your Store are also described in this Item.

| <u>Type of Franchise</u>   | <u>Initial Franchise Fee</u>     |
|--|----------------------------------|
| <b>New Franchise Store</b> <ul style="list-style-type: none"><li>– If awarded to a New Franchisee</li><li>– If awarded to an Existing Franchisee (<i>See Note 1</i>)</li><li>– If awarded to an Employee (<i>See Note 2</i>)</li></ul> | \$20,000<br>\$15,000<br>\$15,000 |
| <b>Conversion Store</b> <ul style="list-style-type: none"><li>– If awarded to a New Franchisee</li><li>– If awarded to an Existing Franchisee (<i>See Note 1</i>)</li><li>– If awarded to an Employee (<i>See Note 2</i>)</li></ul>    | \$20,000<br>\$15,000<br>\$15,000 |
| <u><b>Inclusion of a GNC Smoothie Bar</b></u>  | <u>\$1,000</u>                   |

#### Notes to Table:

1. You must be a current franchisee in good standing or have a controlling interest in a corporation, company or partnership that is a franchisee in good standing. “Good standing” means, among other criteria, that the existing franchisee is not in default under any existing agreement between it and us or our affiliates, and does not have a past-due accounts receivable (A/R) balance in any Store, including affiliated Stores.

2. You must have been an employee of ours full-time for at least 12 months or part-time for at least 24 months prior to the date you execute the Franchise Agreement.

3. If you are leasing your location directly from the landlord, or if you are subleasing the location from us, and the remaining term of the lease is shorter than the 5-year term of ~~your~~ the Franchise Agreement, then we may, in our sole discretion, adjust the term of your Franchise Agreement and, if applicable, the sublease, to match the term of ~~your~~ the lease. In such case, we may, in our sole discretion, charge an initial franchise fee that is less than the fee that would otherwise be charged.

#### AREA DEVELOPMENT FEE

Under the Development Agreement, you will obtain the right to develop and open an agreed upon number of GNC Stores, provided you do so in accordance with the specified Development Schedule. You must open a minimum of two GNC stores under the Development Agreement. You must pay us a development fee (“Development Fee”) equal to the sum of the following: (i) a development rights fee for the Development Area (which will be determined by us and will vary depending on the location of the

Development Area and other factors we deem relevant), (ii) a fee equal to the applicable initial franchise fee shown in the table above for the first GNC Store you agree to develop and open, and (iii) a fee equal to fifty percent (50%) of the total initial franchise fees for the remaining GNC Stores required to be developed and opened during the term of the Development Agreement. The Development Fee is payable in a lump sum upon execution of the Development Agreement and is fully earned when the Development Agreement is signed. We have no intention, now or in the future, of reducing the Development Fee for any franchisee, although we reserve the right to do so in our sole discretion on a case-by-case basis. The initial franchise fee for each GNC Store that you develop and open under the Development Agreement will be paid by you in addition to the Development Fee; provided, that the fees paid pursuant to (ii) and (iii) above will be credited toward the initial franchise fees due for the Stores as long as you develop and open the Stores in accordance with the terms of the Development Agreement (the credit will be in an amount equal to 100% of the initial franchise fee due for the first Store, and 50% of the initial franchise fee due for each remaining Store). The remainder of the initial franchise fee due for each GNC Store shall be immediately due and payable upon execution of the Franchise Agreement for that GNC Store. In no event will the sum of all credits received by you exceed the total portion of the Development Fee in (ii) and (iii) above. If a Store is not established in accordance with the Development Agreement and your Development Schedule, the portion of the Development Fee that would have otherwise been credited towards payment of the initial franchise fee for that Store will be forfeited and retained by us. If, for any reason, the Development Agreement terminates before any portion of the Development Fee has been applied to the initial franchise fees, we will retain the unapplied portion of the Development Fee to compensate us for our time, effort and foregone opportunities. We reserve the right to reduce the Development Fee for our existing franchisees and employees in accord with the table above.

#### **OTHER INITIAL FEES**

If you are a new or existing franchisee, we may require you to pay us a franchise security deposit in the amount of \$2,500, which will be held by us until the expiration or termination of the Franchise Agreement, in which event we will apply it against any outstanding payment obligations under the Franchise Agreement or any related agreement, and return any remaining balance to you within 60 days following expiration or termination. We are not required to pay you interest on the security deposit. If you enter into a renewal Franchise Agreement, and you have previously paid this security deposit, we will roll over the deposit to your renewal Franchise Agreement.

You will be responsible for the construction costs for your Store, which will vary depending on, among other factors, the size of the Store and the condition of the space. We have provided estimated equipment, signage, fixtures, and other construction costs that you must pay to us in Item 7 of this disclosure document. We estimate equipment costs that you must pay to us to be ~~\$5,000~~\$3,500 to \$7,000 for both New Franchise and Conversion Stores. We estimate signage costs that you must pay to us to be \$8,500 to \$20,000 for a New Franchise Store and \$0 to \$20,000 for a Conversion Store. We estimate fixture costs that you must pay to us to be \$7,500 to \$38,000 for a New Franchise Store and \$0 to \$38,000 for a Conversion Store. We estimate construction and other Store costs that you must pay to us to be \$35,000 to \$250,000 for a New Franchise Store and \$35,000 to \$186,000 for a Conversion Store.

You must pay to us a Project Management Fee for procurement and construction management, which is \$5,000 for a New Franchise Store and between \$0 and \$5,000 for a Conversion Store. We may require you to pay an additional fee if we allow you to include a Smoothie Bar, which will vary depending on the scope of work and the level of engagement by our construction team. For a New Franchise Store, if you engage our architectural and engineering consultants, we estimate that you will pay to us \$5,000 to \$7,500 for those consultant costs. In addition, you must acquire inventory from us for your Store, which costs \$80,000 to \$85,000 for a New Franchise Store and \$31,000 to \$113,000 for a Conversion Store. You will generally lease the Store premises directly from the landlord, but if you sublease your Store premises

[from us, we estimate that you must pay us between \\$1,500 and \\$3,000 in utility security deposits for third party utility services, and between \\$1,219 and \\$19,042 for first month's rent/leasehold expenses.](#) See Item 7 for more information regarding these fees and expenses.

Currently, we are the only approved supplier of the equipment, fixtures, signage, ~~and materials,~~ [and most of your inventory,](#) for construction and operation of ~~your~~ [a standard](#) Store, ~~and most of your inventory,~~ so you must purchase these items from us or obtain approval from us for any exceptions. [We do not supply any of these items for construction of a Smoothie Bar in the Store, but you still must purchase them from approved suppliers.](#) Except as described below, all of the costs, expenses and fees described in this Item are non-refundable. Except for the initial franchise fee described in the table above, the security deposit (if we require it), and a certain portion of the construction costs (which you must pay at the time you sign the Franchise Agreement), these other costs, expenses and fees are generally not billed to you until the Store has been constructed, although we may require you, in our sole discretion, to pay all or a portion of these costs, expenses and fees up front, or in the form of progress payments during the construction process.

#### **REFUNDS OF THE INITIAL FRANCHISE FEE**

Except as described below, the initial franchise fees shown in the table above and the Development Fee described above are deemed fully earned upon execution of the Franchise Agreement or Development Agreement in consideration of the granting of the franchise and/or development rights, and are not refundable. If your Franchise Agreement terminates during the Pre-Opening Period (period starting on the Franchise Agreement date and ending on the earlier of the Store Opening Date or 240 days following the Franchise Agreement date, or such longer period as we may agree to in our sole discretion) because of the franchisee's death, if the franchisee is a natural person, we will refund the initial franchise fee for that Store. Generally, the other fees, costs and expenses described in this Item are non-refundable, but we may, in our sole discretion, refund some or all of these amounts to you if your Franchise Agreement terminates during the Pre-Opening Period because of the death of the franchisee, if the franchisee is a natural person.

We reserve the right to offer special incentive programs at any time which may decrease any of the fees listed in this Item. We may alter or discontinue these programs at any time in our sole discretion without notice to you. We are a member of the International Franchise Association and participate in the International Franchise Association's VetFran Program, which provides special incentives to qualified veterans. We offer a special incentive program for U.S. military veterans purchasing a New Franchise Store or Conversion Store. Under this program, we offer honorably discharged veterans a \$15,000 initial franchise fee. ~~In 2022, we charged~~

[In 2023, we agreed to reduce the initial franchise fee in 2 situations where we transacted with existing franchisees to convert multiple company-owned stores to franchise stores. In one 6-Store conversion transaction, we reduced the initial franchise fee to \\$12,000 \(which was then prorated based on the remaining lease term for the Store\) for each of 5 of the Conversion Stores, and agreed not to charge an initial franchise fee for 1 of the Conversion Stores. In another 4-Store conversion transaction, we agreed to reduce the initial franchise fee to \\$12,000 \(which was then prorated based on the remaining lease term for the Store\) for each of the 4 Conversion Stores. We agreed to reduce the initial franchise fees for the Stores in these transactions because each of the franchisees agreed to complete multi-Store conversions as part of the transaction.](#)

[In 2023, we also](#) pro-rated initial franchisee fees in certain cases where we adjusted the term of the Franchise Agreement to match the remaining term of the franchisee's lease for a term less than the standard 5-year term.

**ITEM 6**

**OTHER FEES (1)**

| (Column 1)<br><b>Type of fee</b>            | (Column 2)<br><b>Amount</b>   | (Column 3)<br><b>Due Date</b>  | (Column 4)<br><b>Remarks</b>   |
|---|---|--|--|
| <b>Royalty (2)</b>                          | 6% of total gross sales   | Monthly  | Gross sales include all revenue from the franchise location. Gross sales do not include sales tax or substantiated refunds in the ordinary course of business. |
| <b>National Advertising (3)</b>             | 3% of total gross sales   | Same as Royalty fee  | <i>See Note 3.</i>   |
| <b>Transfer Fee—Franchise Agreement (4)</b> | Transfer fee not to exceed then-current undiscounted initial franchise fee for new franchisees for a new Store, except that the fee will be: <b>1. \$1,000</b> if you transfer all or a controlling interest in your franchise to an entity that you own (or that is owned by, or under the same ownership as, the existing franchisee), or if the transfer is to your immediate family member; or <b>2. \$2,500</b> if the transfer is of less than 50% of your ownership interest in the franchise or the existing franchisee | At the time a signed Franchise Agreement is returned to us, or if a Franchise Agreement is not signed in connection with the transfer, at the time of transfer | Payable when you sell your franchised business or otherwise complete a transfer, which you may only do with our prior consent.                                 |
| <b>Transfer Fee—Development Agreement</b>   | \$10,000  | Upon a permitted assignment of the Development Agreement   | Payable when you transfer your development agreement, which you may only do with our prior consent.  |
| <b>Franchise Store Relocation Fee</b>       | \$10,000 or such greater amount as we may determine from  | Payable upon the permitted relocation of your GNC store  | You may request to relocate your GNC store if you cannot   |

| (Column 1)<br>Type of fee               | (Column 2)<br>Amount   | (Column 3)<br>Due Date   | (Column 4)<br>Remarks   |
|---|--|--|---|
|   | time to time, to cover our administrative and other costs in processing the relocation     |  | continue to operate due to an act of God (fire, flood, earthquake) or extreme hardship. Approval of a relocation is in our sole discretion. We may at times waive this fee on a case-by-case basis if, in our sole discretion, circumstances merit.   |
| <b>Remodeling (5)</b>                   | \$25,000 to \$150,000  | When remodeling is complete, or we may require periodic payments during the remodeling process (which may include payment in stages during the remodeling process) | Once every 5 years, if we determine it is necessary, or periodically and potentially more frequently, as required by the terms of the Franchise Agreement and Store lease. You may be required to remodel the Store, at your expense, at the time of entering into a Franchise Agreement if you franchise a Conversion Store. |
| <b>Insurance Reimbursement Fee (6)</b>  | \$500 per occurrence   | Immediately on demand  | You pay us.   |
| <b>Late Payment Charges</b>             | 1 1/2% interest per month on overdue amount  | Immediately  | This charge applies to all payments you owe us.   |
| <b>Insufficient Funds Fee</b>           | \$30 per occurrence  | Immediately on demand  | Payable if any of your payments to us are not honored by your financial institution.  |
| <b>Store Technology Maintenance (7)</b> | \$75 per month (1 <sup>st</sup> register)<br><br>\$25 per month (2 <sup>nd</sup> register) | Monthly  | You pay us.   |
| <b>Network Connection (7)</b>           | <del>\$180</del> 233.00 per month  | Monthly  | You pay us.   |

| (Column 1)<br>Type of fee                       | (Column 2)<br>Amount   | (Column 3)<br>Due Date                            | (Column 4)<br>Remarks  |
|---|--|---|--|
| <b>Credit Card Processing (EMV, Secure) (7)</b> | \$16.00 per month  | Monthly   | You pay us.  |
| <b>In-Store Wi-Fi (7)</b>                       | <del>\$10.50</del> 18.00 per month   | Monthly   | You pay us. <a href="#">This is only for GNC IT equipment.</a>   |
| <a href="#">Cellular Plan (7)</a>               | <a href="#">\$16.00 per month</a>  | <a href="#">Monthly</a>                           | <a href="#">You pay us this fee if you purchase an iPad to use to ring sales at approved events outside your Store.</a>  |
| <b>Financial Services (GNFS) (8)</b>            | See Note 8 below   | Monthly   | You pay us.  |
| <b>Franchise Renewal (9)</b>                    | \$12,500   | On or before expiration date of then-current term | You pay us. Additionally, we may require you to remodel in connection with the renewal.  |
| <b>Audit</b>                                    | If an audit discloses an understatement of three percent (3%) or more in any report of Gross Sales, you must reimburse us for all costs and expenses of the audit. | Immediately on demand                             |  |
| <b>Sublease Rent (10)</b>                       | Will vary depending on rent and other costs under the sublease, <a href="#">and will only apply if you are subleasing your Store premises from us</a>              | Monthly (1 <sup>st</sup> of the month)            | We <a href="#">generally</a> do not <del>lease or</del> sublease Store premises to franchisees. <a href="#">However, but there may be circumstances where we are the sublessor under a small number of subleases that were not terminated will, such as part of the bankruptcy proceedings of our predecessor. If you are renewing your where we franchise agreement and are the subtenant under an existing</a> |

| (Column 1)<br>Type of fee  | (Column 2)<br>Amount                                      | (Column 3)<br>Due Date                         | (Column 4)<br>Remarks  |
|--|---|--|--|
|  |   |  | <del>sublease with us, you will pay us rent under the sublease company-owned Store already subject to a lease.</del>   |
| <u>Non-compliance fee— failure to give proper notice regarding franchise renewal</u> | <u>Not to exceed \$1,000</u>                              | <u>As incurred</u>                             | <u>We may charge you this fee if you fail to give notice regarding whether or not you intend to renew your franchise within the prescribed time frame in the Franchise Agreement.</u>  |
| <b>Indemnification</b>   | Will vary depending on the circumstances                  | As incurred                                    | You must reimburse us if we are held liable for damages or other expenses related to the operation of your franchise.  |
| <b>Attorneys' Fees and Costs</b>   | Will vary depending on the circumstances                  | As incurred                                    | Payable only if you do not comply with the Franchise Agreement.  |
| <b>Liquidated Damages (1011)</b>   | Will vary depending on the circumstances                  | Immediately on demand                          | You pay us.  |
| <b>Default Cure Fee (1112)</b>   | Up to \$1,000 per occurrence, depending on the infraction | On or before the expiration of the cure period | You pay us.  |
| <b>Annual Inventory Fee (1213)</b>   | \$540   | Annually                                       | We may require you to conduct an annual physical inventory, which we may perform. If you participate in GNFS, this fee is included in your monthly Financial Services fee. If you do not participate in GNFS, you will be billed for this fee. |

| (Column 1)<br>Type of fee                   | (Column 2)<br>Amount     | (Column 3)<br>Due Date                | (Column 4)<br>Remarks  |
|---|--------------------------|---------------------------------------|--|
| <b>Non-compliance Management Fee (1314)</b> | 25% of total gross sales | As incurred and if necessary          | Gross sales include all revenue from the franchise location. Gross sales do not include sales tax or substantiated refunds in the ordinary course of business.                                     |
| <b>Operating Management Fee (1415)</b>      | \$2,000 per week         | As incurred and if necessary          | In the event that a franchisee dies or is disabled, we may, in our discretion, operate the Store until such time that a transfer can be completed under the terms of the Franchise Agreement.      |
| <b>Securities Offering Fee (1516)</b>       | \$5,000                  | Upon submission of offering materials | For each proposed offering, you must pay us a non-refundable fee of \$5,000 to cover our costs and expenses associated with reviewing the proposed offering, including legal and accounting costs. |

**Explanatory Notes:**

1. Generally, and except as otherwise noted in this Item, all fees are uniformly imposed and are non-refundable. However, from time to time, in special or certain circumstances, we may agree to reduce or not charge certain fees for a period of time. These decisions are made on a case-by-case basis. Except as otherwise noted in this Item, all fees are payable to, and imposed and collected by, us.
2. You will pay a recurring royalty fee of 6% of your gross sales.

3. We currently charge a recurring advertising fee of 3% of total gross sales, but we reserve the right to increase or decrease this fee from time to time on thirty (30) days' prior written notice to you. We do not collect or impose advertising fees on behalf of a third party. However, we may elect to have you pay the national advertising fee to an advertising agency which we select.

4. We will not refund a transfer fee unless you do not complete the transfer of your Store or your interest in franchisee, in the case of a franchisee ownership interest transfer. Generally, we will charge a transfer fee equal to the then-current undiscounted initial franchise fee we charge a new franchisee for a new Store. However, there may be certain circumstances where we charge a reduced transfer fee, such as where a distressed Store is being transferred. ~~If you are an existing franchisee and have~~ You may not transfer a GNC Smoothie Bar in your Store, you may not transfer the GNC Smoothie Bar separately from your GNC Store. The transfer fee calculation excludes initial franchise fees paid for a GNC Smoothie Bar.

5. If you desire to purchase an existing GNC Store from another GNC franchisee, or if you purchase a Conversion Store, you may be required to remodel the Store. The Franchise Agreement grants us the right to require you to remodel your Store no more than once every 5 years. ~~If we require new fixtures, we estimate that the remodeling cost will be between \$60,000 and \$150,000.~~

6. You must obtain insurance coverage as specified in Item 8. If you do not obtain the required levels of insurance, we may, at our election, procure such insurance and bill your account for the insurance, together with a fee not to exceed \$500 for our reasonable costs and expenses in acquiring the policy or policies.

7. You must sign the P.O.S. License Agreement which is located in Exhibit H of this disclosure document to receive the POS system. You will be charged Store technology maintenance fees to cover the costs of supporting the system. Maintenance fees cover the actual costs of the system. ~~We derive no profit from maintenance fees.~~ Each year, costs relating to store technology maintenance are subject to re-evaluation in order to determine your monthly POS maintenance fees. We reserve the right to change any or all of these fees and to introduce new fees for additional required services and/or equipment on an annual or more frequent basis.

8. We may (but are not obligated to) provide financial services to you through GNFS. Financial services may include, at our discretion, the following: data processing, accounting, and other operational services, including financial statements, monthly bank reconciliations, monthly cash flow statements, and monthly financial statement variance analysis; an annual physical inventory; and payroll and HR services provided by an outside vendor. If we choose to provide these services, and you opt to or are required to use them, you will pay us the monthly fee(s) for financial services shown in the following table:

| One Store | 2-5 Stores      | 6-9 Stores      | 10-14 Stores    | 15+ Stores      |
|-----------|-----------------|-----------------|-----------------|-----------------|
| \$345     | \$320 per Store | \$295 per Store | \$245 per Store | \$220 per Store |

You will pay us the fee shown under "One Store," plus the applicable fee in the other columns for each subsequent Store that you franchise, on a monthly basis. The above amounts include charges for annual physical inventories conducted by our Loss Prevention Department. In addition, if you choose to use our payroll services (provided by a third party), you will also pay a monthly pass-through charge for these services. The fees for these services through GNFS are non-refundable. We reserve the right to change any or all of these fees on an annual or more frequent basis. We also reserve the right, in special circumstances on a case-by-case basis, to reduce these fees for one or more particular franchisees for a period of time. If we are providing the financial services, we reserve the right to discontinue any or all of

them at any time for any reason. We additionally reserve the right to charge a monthly service charge up to 10% of the monthly service fee for the month(s) that required financial information is not provided to GNFS by the 25<sup>th</sup> of the month. We further reserve the right to establish minimum enrollment periods; currently, the opt-out period is December 15<sup>th</sup> through January 15<sup>th</sup> for the upcoming year. Currently, we are offering a new opt-in incentive program for new franchisees and for existing franchisees that are currently not using our GNFS financial services. This opt-in program would allow a franchisee to receive an additional 3 months at no charge if the franchisee signs up for GNFS financial services for a 12-month term (the franchisee would receive a total of 15 months of our GNFS financial services). If you choose to opt in and take advantage of the 3 months of GNFS financial services at no charge, you will be billed for the 12-month period, regardless of whether you continue to be enrolled in GNFS financial services. We may modify or discontinue this GNFS incentive program at any time at our discretion.

9. We will generally charge you a \$12,500 renewal fee if you enter into a renewal Franchise Agreement. If you are leasing your location, and the remaining term of the lease is shorter than the 5-year term of your renewal Franchise Agreement, then we may, in our sole discretion, adjust the term of your Franchise Agreement to match the term of your lease. In such case, we may, in our sole discretion, charge a renewal fee that is less than the fee that would otherwise be charged.

10. [There may be circumstances where we will sublease the Store premises to a franchisee, such as when we sell one or more existing company-owned locations to a franchisee. We are also the sublessor under a small number of subleases that were not terminated as part of the bankruptcy proceedings of our predecessor. If you are renewing your franchise agreement and are the subtenant under an existing sublease with us, you will pay us rent under the sublease.](#)

11. Upon termination of the Franchise Agreement due to your default or breach, the Franchise Agreement requires you to pay us, in addition to other amounts owed, liquidated damages in an amount equal to (i) the greater of (a) the average monthly amount of Royalty Fees payable by you to us for the two (2) years immediately preceding the date of termination or (b) the average monthly amount of Royalty Fees payable by you to us for the twelve (12-) month period immediately preceding the date of termination, however, if the Store has not been open for at least twelve (12) months, the average monthly amount of Royalty Fees payable by you to us for the months in which the Store has been open; then (ii) multiplied by the number of months remaining in the then-current term of the Franchise Agreement.

~~11~~12. If you fail to comply with any of the requirements imposed by the Franchise Agreement, Franchise Operations Manual, or any other written policies or requirements, and it is determined that you are in default of your franchise obligations, you may be required to pay to us a fee of up to \$1,000 per occurrence for our administrative costs associated with managing each default.

~~12~~13. We may require your Store to have an annual physical inventory, which generally we will conduct. If your Store participates in GNFS, the cost of the annual inventory is included as part of your financial services fees. If your Store does not participate in GNFS, you will generally be billed for the total cost of the physical inventory on an annual basis. We reserve the right to change this fee on an annual or more frequent basis.

~~13~~14. If you are in default of your franchise obligations and unable to operate your Store to our standards, we may, in our sole discretion, assume operations of the Store for any period of time, and you will be required to pay to us 25% of your total gross sales earned during the period in which we operate the Store, in addition to any other royalties and fees payable to us pursuant to your Franchise Agreement.

~~415~~. If you are unable to operate your Store due to death or disability, GNC may, in its sole discretion, assume operations of the Store at a cost of \$2,000 per week until such time that a transfer of the franchise can be completed under the terms of the Franchise Agreement.

~~4516~~. If securities in the franchisee are offered to the public, by private offering or otherwise, all materials required for such offering by federal or state law shall be submitted to us for review prior to their use or filing with any government agency; and any materials to be used in any offering exempt from federal or state securities laws shall be submitted to us for review prior to their use. You must give us written notice at least thirty (30) days prior to the date of commencement of any offering or other transaction to enable us the opportunity to exercise our right of first refusal as provided in the franchise agreement.

**ITEM 7**

**ESTIMATED INITIAL INVESTMENT**

| <b>YOUR ESTIMATED INITIAL INVESTMENT—SINGLE UNIT (1)</b>   |   |   |   |   |
|--|---|---|---|---|
| <b>(Column 1)<br/>Type of expenditure</b>  | <b>(Column 2)<br/>Amount</b>  | <b>(Column 3)<br/>Method of payment</b> | <b>(Column 4)<br/>When due</b>                              | <b>(Column 5)<br/>To whom payment is to be made</b>   |
| <b>Initial Franchise Fee</b><br>New Franchise Store (2)<br>Conversion (3)<br><del>Smoothie Bar</del>   | \$20,000<br>\$20,000<br><u>\$1,000</u>  | Lump-sum                                | Upon signing Franchise Agreement                            | Us  |
| <b>Security Deposit</b><br>New Franchise Store (2)<br>Conversion (3)   | \$2,500<br>\$2,500  | Lump-sum                                | Upon signing Franchise Agreement                            | Us  |
| <b>Equipment (4)(8)</b><br>POS & Peripherals;<br><del>POS Secure Payment Terminal/System, and iPad &amp; Peripherals</del><br><del>Retail Tablet</del><br><br>Computer (PC) and Printer<br><br><del>Smoothie Bar</del> | <del>\$5,000</del><br><u>\$3,500</u> to \$7,000<br><br>\$1,000 to \$2,000<br><br><u>\$8,000 to \$14,000</u> | Lump-sum                                | At purchase or as described in the Asset Purchase Agreement | Us (for POS & Peripherals, <del>POS Secure Payment System/Terminal, and Retail Tablet) and iPad &amp; Peripherals), Third-Party Vendor (for Computer and Printer) and approved suppliers (for Smoothie Bar)</del> |
| <b>Signage (5)(8)</b><br>New Franchise Store<br>Conversion<br><del>Smoothie Bar</del>  | \$8,500 to \$20,000<br>\$0 to \$20,000<br><u>\$1,000 to \$2,500</u>   | Lump-sum                                | At purchase or as described in the Asset Purchase Agreement | <del>Us</del> Us or approved suppliers  |
| <b>Fixtures (6)(8)</b><br>New Franchise Store<br>Conversion<br><del>Smoothie Bar</del>   | \$7,500 to \$38,000<br>\$0 to \$38,000<br><u>\$6,000 to \$20,000</u>  | Lump-sum                                | At purchase or as described in the Asset Purchase Agreement | <del>Us</del> Us or approved suppliers  |

| <b>YOUR ESTIMATED INITIAL INVESTMENT—SINGLE UNIT (1)</b>  |  |  |   |   |
|---|--|--|---|---|
| (Column 1)<br><b>Type of expenditure</b>  | (Column 2)<br><b>Amount</b>  | (Column 3)<br><b>Method of payment</b>       | (Column 4)<br><b>When due</b>                               | (Column 5)<br><b>To whom payment is to be made</b>                                      |
| <b>Construction and Other Store Costs</b><br>New Franchise Store (7)(8)<br>Conversion (9)<br><a href="#">Smoothie Bar</a>             | \$35,000 to \$250,000<br>\$35,000 to \$186,000<br><a href="#">\$14,000 to 25,000</a>   | Lump-sum                                     | At purchase or as described in the Asset Purchase Agreement | Us or a contractor  |
| <b>Pre-Construction Architectural and Engineering Consulting Fees (10)</b><br>New Franchise Store<br><br><a href="#">Smoothie Bar</a> | \$5,000 to \$7,500<br><br><a href="#">Will vary depending on design and engineering requirements</a>                               | Lump-sum                                     | As Incurred   | Us or Your Consultants  |
| <b>Project Management Fee (11)</b><br>New Franchise Store<br>Conversion<br><br><a href="#">Smoothie Bar</a>                           | \$5,000<br>\$0 to \$5,000<br><br><a href="#">Will vary depending on scope of work and level of engagement by construction team</a> | Lump-sum                                     | As Incurred   | Us  |
| <b>Opening Inventory (12)</b><br>New Franchise Store<br>Conversion<br><a href="#">–Smoothie Bar</a>                                   | \$80,000 to \$85,000<br>\$31,000 to \$113,000<br><a href="#">\$2,000 to \$2,500</a>  | Lump-sum                                     | At purchase or as described in the Asset Purchase Agreement | <del>Us</del><br><a href="#">Us or Approved Suppliers</a>                               |
| <b>Utility Security Deposits</b>  | \$1,500 to \$3,000 (variable)  | As required by third party utility companies | As required by third party utility companies                | Utility Companies, <a href="#">or us if we are subleasing the Store premises to you</a> |
| <b>Business and Worker's Compensation Insurance (13)</b>  | \$2,000 to \$7,600   | As specified by Insurer                      | Before Store opens  | Qualified Company or Insurance Broker   |

| <b>YOUR ESTIMATED INITIAL INVESTMENT—SINGLE UNIT (1)</b>                      |   |   |  |   |
|---|---|---|--|---|
| <b>(Column 1)<br/>Type of expenditure</b>                                     | <b>(Column 2)<br/>Amount</b>  | <b>(Column 3)<br/>Method of payment</b> | <b>(Column 4)<br/>When due</b>           | <b>(Column 5)<br/>To whom payment is to be made</b>                                       |
| <b>Training Expenses (14)</b>   | \$1,500 to \$3,000  | As Incurred                             | As Incurred                              | Airlines, Hotels & Restaurants  |
| <b>Miscellaneous Opening Costs (15)</b>                                       | \$3,000 to \$4,000  | As Incurred                             | As Incurred                              | Suppliers   |
| <b>Rent/Leasehold Space—1 month (16)</b>                                      | \$1,219 to \$19,042   | Monthly                                 | As described in Lease <u>or Sublease</u> | <del>Landlord</del> <u>Landlord, or us if we are subleasing the Store premises to you</u> |
| <b>Additional Funds—3 months (17)</b>   | \$10,000 to \$30,000  | As Incurred                             | As Incurred                              | Landlord, Employees, Suppliers  |
| <b>TOTAL (18)</b><br>New Franchise Store<br>Conversion<br><u>Smoothie Bar</u> | <del>\$188,719</del> <u>\$187,219</u> to<br><del>\$503,642</del><br><del>\$113,719</del> <u>\$112,219</u> to<br><del>\$460,142</del><br><u>\$32,000 to \$65,000</u> |   |  |   |

**Explanatory Notes:**

1. ~~Except when specifically indicated in the chart for the particular type of franchise, and except as otherwise indicated in these Explanatory Notes, the~~ The amounts in this chart ~~that are not specifically identified as expenditures for a New Franchise Store, Conversion Store or Smoothie Bar,~~ apply both to New Franchise Stores and Conversion Stores. Expenditures relating to addition of a Smoothie Bar into a Store are specifically identified as such. All expenditures are non-refundable unless specifically noted otherwise.
2. A New Franchise Store may be awarded to a new franchisee, an existing franchisee or an employee of ours pursuant to our employee program (See Item 1 for a description of the employee program). The initial franchise fee for a New Franchise Store is \$20,000 for a new franchisee. If you are an existing franchisee or an employee of ours, the initial franchise fee is \$15,000 for a New Franchise Store. See Item 5 for the conditions when this fee is refundable. We may also require you to pay us a franchise security deposit in the amount of Two Thousand Five Hundred Dollars (\$2,500). This deposit will be held by us until the expiration or termination of the Franchise Agreement, in which event the deposit will either (i) be returned to you within 60 days after expiration or termination, if you do not have any outstanding payment obligations to us under the Franchise Agreement or related agreement, or (ii) be applied to any outstanding payment obligations to us

under the Franchise Agreement or related agreement (and the balance, if any, will be returned to you within 60 days after expiration or termination). We are not obligated to pay you interest on the security deposit.

3. Conversion Stores may be awarded to new franchisees, existing franchisees or employees of ours pursuant to our employee program. The initial franchise fee for a Conversion Store is \$20,000 for a new franchisee. If you are an existing franchisee or an employee of ours, the initial franchise fee is \$15,000 for a Conversion Store. See Item 5 for the conditions when this fee is refundable. We may also require you to pay us a franchise security deposit in the amount of Two Thousand Five Hundred Dollars (\$2,500). This deposit will be held by us until the expiration or termination of the Franchise Agreement, in which event the deposit will either (i) be returned to you within 60 days after expiration or termination, if you do not have any outstanding payment obligations to us under the Franchise Agreement or any related agreement, or (ii) be applied to any outstanding payment obligations to us under the Franchise Agreement or any related agreement (and the balance, if any, will be returned to you within 60 days after expiration or termination). We are not obligated to pay you interest on the security deposit.
4. The equipment/technology we currently require you to purchase from us is as follows: POS and peripherals, ~~a retail tablet, and a POS secure payment system/terminal, and iPad and peripherals.~~ The cost of the system will be at market pricing, and the current cost for this system is approximately ~~\$5,000~~ \$3,500 to \$7,000 depending upon your register lane count. These costs do not include taxes or shipping charges. Because technology is constantly evolving, your POS system (including the hardware) will be an ongoing investment, and we may require you to upgrade hardware at any time, which we estimate to be every 3-5 years. When discounted pricing can be obtained, we will pass the savings on to you. You must sign the P.O.S. License Agreement located in Exhibit H of this disclosure document, and pay the maintenance fees which are described in Item 6.

We also require you to purchase a PC ~~(we currently do not support Apple-based products)~~ and printer so that you may participate in our Franchise Portal, a secure web site that allows you to receive company news; communicate to franchisees electronically; pose questions to us or our affiliates; search on-line libraries for information on products, pricing, marketing and operations; customize and print our newest camera-ready local marketing materials; participate in on-line business building sessions with us, other franchisees, and outside vendors; send messages and information to the Franchise Support Center; train your employees, and other functions we may develop from time to time. We do not charge a fee for the Franchise Portal; however, to participate in the program, you must have access to the Internet. We reserve the right to charge a fee for the Franchise Portal at any time in the future upon notice to you.

If we allow you to include a Smoothie Bar in your Store, you must acquire from approved suppliers equipment consisting of 2 freezers (one for the front, and one for the back room), a refrigerator unit, and ice cube maker and filter, as well as 2 blender stations. These Smoothie Bar equipment cost estimates do not include taxes or shipping charges.

5. All GNC Stores are required to have approved exterior signs featuring our trademarks to identify the location. Exterior signage includes, but is not limited to, illuminated channel letters, pylon signs or under canopy signs. You must acquire any interior signs for the Smoothie Bar from approved suppliers. Manufacturing and installation of signage must adhere to landlord and local regulations.

6. Fixtures include, but are not limited to, the wall units, cash wrap, gondolas, track lighting, accent lighting, and refrigerators. [The Smoothie Bar contains a separate cash wrap, lighting and wall unit. You must acquire Smoothie Bar fixtures from approved suppliers.](#)
7. Generally, we will construct your Store. We will charge you for the construction costs of the Store, as well as a Project Management Fee for construction oversight. Included in the construction costs are estimated costs to build out the Store. The cost will vary depending on the location and condition of the premises, the type of Store you will franchise, the requirements of the landlord for the Store location, and the building code requirements of your area. Shipping and installation costs are included in the construction estimates. Construction includes installation of all the materials to build out the Store such as acoustical ceiling and flooring materials, plumbing, fixtures, HVAC, electrical, and drywall. Other construction costs you may incur include lighting, props (pieces used in Stores for visual effects and decoration), floor (if not already installed, wood flooring or ceramic tile), graphics (interior signage and photos), and miscellaneous items (plexiglass sign holders, etc.). [You must engage a third-party contractor for construction of a Smoothie Bar in the Store.](#)

As-is locations are sites which are leased in their present condition. This might mean that the previous tenant has removed fixtures, etc. Vanilla shell locations are sites where the space may have been prepared by the landlord with electrical service, 2 x 4 light fixtures, 2 x 4 acoustical ceiling tiles, plumbing, drywall and HVAC. Thus, leasing a vanilla shell space will generally decrease your initial investment because the site is ready for the installation of fixtures, flooring, cashwrap and additional electrical items.

8. We may require payments in stages during the construction process for the Store (for the estimated costs of inventory, signage, equipment, fixtures, and construction costs for the Store). For example, we may require 34% of the estimated costs at the time the building permit is received, 33% of the estimated costs at the start of construction, and the balance of the costs when construction is completed.
9. This estimate for Conversion Stores includes estimated amounts charged for the assets, including goodwill, of the Store. These amounts will vary on a case-by-case basis depending on the Store converted and the value that we or our affiliates place on the assets and the converted Store. This estimate also includes amounts charged for any remodeling of the Store that is necessary to bring it up to current standards (e.g., installing a new fixture package).
10. For a New Franchise Store, you will be required to engage architectural and engineering consultants to prepare stamped architectural drawings and obtain permitting for a standard GNC Store design. These consultants will prepare architectural, electrical and mechanical drawings that must comply with applicable governmental building codes and regulations. Generally, you will engage architectural and engineering consultants designated by us, and we will pass through those consultant expenses to you. In our sole discretion, we may allow you to engage your own architectural and engineering consultants. You may incur additional fees for any design and engineering in addition to a standard GNC Store design- [\(e.g., addition of a Smoothie Bar\).](#)
11. For a New Franchise Store, you must pay us a \$5,000 project management fee for oversight of the construction of your Store. This fee offsets our in-house costs for ordering, logistics, coordination, fixture layout, bidding, and carrying costs for materials and fixture package. For a Conversion Store, the amount of the fee will vary depending on the scope of work, level of engagement by our construction team, and the amount of time required for any necessary construction and remodeling. [If we allow you to incorporate a Smoothie Bar into your Store, you may also be required to pay us](#)

[an additional management fee for construction of the Smoothie Bar, which will vary depending on the scope of work and the level of engagement by our construction team.](#)

12. Opening inventory includes a supply of inventory items [supplied by us](#) with a wholesale cost of approximately \$80,000 to \$85,000 for a New Franchise Store. Your store at all times must maintain its opening order inventory value to ensure an adequate stock of inventory. At a minimum to not be at risk for being in default of your franchise obligations, you are required to maintain at least \$60,000 of inventory at wholesale cost, in an appropriate mix that ensures that the store is at all times fully stocked in accordance with GNC's merchandising and plan-o-gram guidelines, presents a full display of products to customers, and consists of no more than 10% of non-planogram products, provided that you must otherwise maintain adequate inventory to effectively operate. [For a Smoothie Bar, you must purchase inventory from approved suppliers. The estimated opening inventory for a Smoothie Bar includes paper products, fruit, juice, supplements and additives.](#)
13. Business and worker's compensation insurance costs vary depending on the Store location in the United States and whether it is an urban or rural location. Business and worker's compensation insurance costs average approximately \$4,500 per year, but the range is from \$2,000 to \$7,600 per year. These figures are based on numbers provided by Hylant, which is the insurance broker that a majority of our franchisees use. Generally, coastal franchisees and franchisees located in hazard zones (i.e., areas that may be subject to wildfires, hurricanes, flooding, tornadoes, and other hazards) can expect to pay higher premiums. Global or national conditions may cause your insurance costs to be higher. See Item 8 for a more detailed description of our requirements for business and worker's compensation insurance.
14. The cost of initial training is included in your franchise fee; however, you must pay for your lodging, travel and additional expenses incurred by traveling to Pittsburgh, Pennsylvania, if Phase II training is held there (and not virtually). See Item 11 for a description of our training requirements.
15. Miscellaneous opening costs include the costs of various supplies, including cleaning supplies, bathroom supplies, office supplies, and other general supplies necessary to operate your Store.
16. Our franchisees typically lease their space from a third-party landlord. [The, but there may be circumstances where we will sublease Store premises to a franchisee, such as where we franchise an existing company-owned Store already subject to a lease. Whether you lease your Store premises from a third-party landlord or sublease the premises from us, the](#) amount in the above chart is the estimated cost range for one month for base rent, common area maintenance charges, real estate taxes, insurance, and other charges including deposits, utilities and merchant's association charges, and is based on the lease costs for our corporate Stores that are operated in strip center locations. The cost per square foot of commercial space varies considerably depending on size, condition, location and market conditions affecting commercial property. However, in general, you must pay base rent, common area maintenance charges, and real estate taxes. Depending on lease requirements, you may also have to pay a rental deposit when the lease begins, in addition to other occupancy costs such as insurance, utilities, promotional fund charges, and merchant's association charges. The following table shows the average annual lease costs based on the experiences of our corporate stores:

|                         | <b>Mall</b> | <b>Strip</b> | <b>Downtown</b> |
|-------------------------|-------------|--------------|-----------------|
| Base Rent               | \$38,042    | \$36,658     | \$123,118       |
| Common Area Maintenance | \$4,277     | \$3,706      | \$574           |
| Real Estate Tax         | \$3,576     | \$2,637      | \$6,355         |
| Insurance               | \$28        | \$321        | \$98            |
| Other                   | \$4,777     | \$367        | \$1,144         |

Typical locations are open air strip shopping centers. We will also franchise locations in malls and downtown locations. You will need approximately 1,000 to 1,500 square feet for the Store. We generally do not approve site submissions for franchises in enclosed malls with a total Gross Leasable Area of more than 500,000 square feet, unless you are an existing franchisee opening a new Store inside your protected territory and we approve the location.

17. We have relied on the years of experience that we and our predecessors have had in this business to compile this estimated range for Additional Funds. We have formulated this estimated range based on information from our corporate Stores and from our franchisees. The requirement for Additional Funds varies depending on the type and size of the Store you will open. This is the minimum amount of working capital we recommend you have on reserve to pay for the first three months of operational expenses, including rent, organizational costs, deposits, business licenses, insurance, replacement of inventory, POS maintenance fees, and salaries when you begin operations. These expenses include payroll costs. These figures are estimates and we cannot guarantee that you will not have additional expenses starting the business.
  
18. We have relied on the years of experience that we and our predecessors have had in this business to compile these estimates. We have also relied on information we have obtained from our franchisees. The cost estimates given in this table are based upon corporate and franchised Stores that have been opened in strip center locations. The figures in this table are approximations only, and may increase or decrease according to, but not limited to, such factors as whether you open your Store in an urban or rural area, whether the Store is in a mall or strip center location, whether the location is leased as-is or in vanilla shell condition, and how rapidly you open your Store. In addition, your total cost will vary according to whether you are an employee, existing franchisee or new franchisee, and the type of franchise you are awarded.

The total figures do not include compensation for your time or labor, nor do they take into account any finance charges or other costs which you may incur to finance all or any portion of your investment. You should review these figures carefully with a business advisor before making any decision to purchase the franchise.

**YOUR ESTIMATED INITIAL INVESTMENT—AREA DEVELOPMENT AGREEMENT (1)**

| (Column 1)<br>Type of expenditure  | (Column 2)<br>Amount  | (Column 3)<br>Method of payment | (Column 4)<br>When due             | (Column 5)<br>To whom payment is to be made  |
|--|---|---------------------------------|------------------------------------|--|
| <b>Development Fee (2)</b>   | Will vary depending on the amount of any Development Rights Fee and the number of Stores you agree to develop, but at a minimum will be \$27,500 (\$20,000 for the first Store, and \$7,500 for the second Store to be developed) | Lump-sum                        | Upon signing Development Agreement | Us   |
| <b>Initial Franchise Fee (2)</b><br>First New Franchise Store<br><br><u>Smoothie Bar</u>   | Included in Development Fee<br><br><u>\$1,000</u>   | Lump-sum                        | Upon signing Development Agreement | Us   |
| <b>Security Deposit</b><br>New Franchise Store (2)   | \$2,500   | Lump-sum                        | Upon signing Development Agreement | Us   |
| <b>Equipment (3)(7)</b><br><br>POS & Peripherals;<br><del>— POS Secure Payment Terminal/System, and Retail Tablet iPad &amp; Peripherals</del><br><br>Computer (PC) and Printer<br><br><u>Smoothie Bar</u> | <u>\$5,000</u><br><br><u>\$3,500</u> to \$7,000<br><br>\$1,000 to \$2,000<br><br><u>\$8,000 to \$14,000</u>   | Lump-sum                        | At purchase                        | Us (for POS & Peripherals, <del>POS Secure Payment System/Terminal, and Retail Tablet iPad and Peripherals</del> ) and Third Party (for Computer and Printer) <u>and approved suppliers (for Smoothie Bar)</u> |
| <b>Signage (4)(7)</b><br>New Franchise Store<br><br><u>Smoothie Bar</u>  | \$8,500 to \$20,000<br><br><u>\$1,000 to \$2,500</u>  | Lump-sum                        | At purchase                        | <del>Us</del> <u>Us or approved suppliers</u>  |

**YOUR ESTIMATED INITIAL INVESTMENT—AREA DEVELOPMENT AGREEMENT (1)**

| (Column 1)<br>Type of expenditure  | (Column 2)<br>Amount                                     | (Column 3)<br>Method of payment              | (Column 4)<br>When due  | (Column 5)<br>To whom payment is to be made                                      |
|--|--|--|---|--|
| <b>Fixtures (5)(7)</b><br>New Franchise Store<br><br><u>Smoothie Bar</u>                           | \$7,500 to \$38,000<br><br><u>\$6,000 to \$20,000</u>    | Lump-sum                                     | At purchase   | <del>Us</del><br><u>Us or approved suppliers</u>                                 |
| <b>Construction and Other Store Costs</b><br>New Franchise Store (6)(7)<br><br><u>Smoothie Bar</u> | \$35,000 to \$250,000<br><br><u>\$14,000 to \$25,000</u> | Lump-sum                                     | At purchase   | Us or a contractor   |
| <b>Pre-Construction Architectural and Engineering Consulting Fees (8)</b><br>New Franchise Store   | \$5,000 to \$7,500                                       | Lump-sum                                     | As Incurred   | Us or Your Consultants   |
| <b>Project Management Fee (9)</b><br>New Franchise Store   | \$5,000  | Lump-sum                                     | As Incurred   | Us   |
| <b>Opening Inventory (10)</b><br>New Franchise Store<br><br><u>Smoothie Bar</u>                    | \$80,000 to \$85,000<br><br><u>\$2,000 to \$2,500</u>    | Lump-sum                                     | At purchase   | <del>Us</del><br><u>Us or approved suppliers</u>                                 |
| <b>Utility Security Deposits</b>   | \$1,500 to \$3,000 (variable)                            | As required by third party utility companies | As required by third party utility companies, <u>usually when the lease (or sublease) commences</u> | Utility Companies, <u>or us if you are subleasing the Store premises from us</u> |
| <b>Business and Worker's Compensation Insurance (11)</b>   | \$2,000 to \$7,600                                       | As specified by Insurer                      | Before Store opens  | Qualified Company or Insurance Broker  |
| <b>Training Expenses (12)</b>  | \$1,500 to \$3,000                                       | As Incurred                                  | As Incurred   | Airlines, Hotels & Restaurants   |
| <b>Miscellaneous Opening Costs (13)</b>  | \$3,000 to \$4,000                                       | As Incurred                                  | As Incurred   | Suppliers  |

| <b>YOUR ESTIMATED INITIAL INVESTMENT—AREA DEVELOPMENT AGREEMENT (1)</b>       |   |  |                               |   |
|---|---|--|-------------------------------|---|
| (Column 1)<br><b>Type of expenditure</b>                                      | (Column 2)<br><b>Amount</b>   | (Column 3)<br><b>Method of payment</b> | (Column 4)<br><b>When due</b> | (Column 5)<br><b>To whom payment is to be made</b>  |
| <b>Rent/Leasehold Space—1 month (14)</b>                                      | \$1,219 to \$19,042   | Monthly                                | As described in Lease         | <del>Landlord</del><br><a href="#">Landlord, or us if you are subleasing the Store premises from us</a> |
| <b>Additional Funds—3 months (15)</b>   | \$10,000 to \$30,000  | As Incurred                            | As Incurred                   | Landlord, Employees, Suppliers  |
| <b>TOTAL (16)</b><br><b>New Franchise Store</b><br><b><u>Smoothie Bar</u></b> | <del>\$196,219</del><br><b>\$194,719 to \$511,142</b><br><b><u>\$32,000 to \$65,000</u></b> |  |                               |   |

**Explanatory Notes:**

1. The amounts in this chart apply to the development of your first New Franchise Store under a Development Agreement. [The amounts in this chart that are not specifically identified as expenditures for a New Franchise Store or Smoothie Bar also apply to the first New Franchise Store. Expenditures relating to including a Smoothie Bar in the first Store are specifically identified as such.](#) All expenditures are non-refundable unless specifically noted otherwise.
2. You must pay us a Development Fee if you enter into a Development Agreement with us to develop a specified number of New Franchise Stores as set forth in a development schedule. You must agree to develop a minimum of two (2) New Franchise Stores under a Development Agreement. The Development Fee is equal to the sum of the following: (i) a development rights fee, which will be determined by us and will vary based on the location of the Development Area and other factors we deem relevant, (ii) a fee equal to the applicable initial franchise fee for the first GNC Store you agree to develop, and (iii) a fee equal to 50% of the total initial franchise fees for all of the remaining GNC Stores that you agree to develop. The initial franchise fee for each GNC Store that you develop under the Development Agreement is to be paid in addition to the Development Fee; provided, that the fees paid pursuant to (ii) and (iii) in the preceding sentence will be credited toward the initial franchise fees due for the Stores as long as you develop and open the Stores in accordance with the terms of the Development Agreement (the credit will be in an amount equal to 100% of the initial franchise fee due for the first Store, and 50% of the initial franchise fee due for each remaining Store). The remainder of the initial franchise fee due for each GNC Store shall be immediately due and payable upon execution of the Franchise Agreement for that GNC Store.

A Development Agreement may be awarded to a new franchisee, an existing franchisee or an employee of ours pursuant to our employee program (See Item 1 for a description of the employee program). If you are a new franchisee, the initial franchise fee for your first New Franchise Store

under the Development Agreement is \$20,000. If you are an existing franchisee or an employee of ours, the initial franchise fee for your first New Franchise Store under the Development Agreement is \$15,000. See Item 5 for the conditions when this fee is refundable. For each Store that you develop, we may also require you to pay us a franchise security deposit in the amount of Two Thousand Five Hundred Dollars (\$2,500). This deposit will be held by us until the expiration or termination of the Franchise Agreement, in which event the deposit will either (i) be returned to you within 60 days after expiration or termination, if you do not have any outstanding payment obligations to us under the Franchise Agreement or related agreement, or (ii) be applied to any outstanding payment obligations to us under the Franchise Agreement or related agreement (and the balance, if any, will be returned to you within 60 days after expiration or termination). We are not obligated to pay you interest on the security deposit. The security deposit indicated in the above table is for your first New Franchise Store.

Development Fee Example: For a five-unit Area Development Agreement with no development rights fee (for a new franchisee), upon execution of the Development Agreement, \$20,000 will be due for the initial GNC Store, plus \$7,500 for each of the 4 additional GNC Stores, for a total due of \$50,000. If there is a development rights fee, that fee would be added to the \$50,000 due at signing. An initial franchise fee of \$7,500 would be due (\$15,000 initial franchise fee less \$7,500 credit) upon signing the Franchise Agreement for each additional location granted under the Development Agreement.

The Development Agreement will require you to open New Franchise Stores in the future pursuant to a development schedule. The estimated initial investment costs for your first New Franchise Store are set forth in the table above. However, these estimated costs are subject to increase and change over time, so future GNC Stores to be developed under a Development Agreement may require a greater initial investment than the estimated costs for a New Franchise Store as set forth in the table. At this time, we are unable to estimate the development rights fee for a particular territory, and we are unable to estimate the investment costs for future GNC Stores (beyond the first GNC Store).

3. The equipment/technology we currently require you to purchase from us is as follows: POS and peripherals, ~~a retail tablet, and a POS secure payment system/terminal, and iPad and peripherals.~~ The cost of the system will be at market pricing, and the current cost for this system is approximately ~~\$5,000~~ \$3,500 to \$7,000 depending upon your register lane count. These costs do not include taxes or shipping charges. Because technology is constantly evolving, your POS system (including the hardware) will be an ongoing investment, and we may require you to upgrade hardware at any time, which we estimate to be every 3-5 years. When discounted pricing can be obtained, we will pass the savings on to you. You must sign the P.O.S. License Agreement located in Exhibit H of this disclosure document, and pay the maintenance fees which are described in Item 6.

We also require you to purchase a PC ~~(we currently do not support Apple-based products)~~ and printer so that you may participate in our Franchise Portal, a secure web site that allows you to receive company news; communicate to franchisees electronically; pose questions to us or our affiliates; search on-line libraries for information on products, pricing, marketing and operations; customize and print our newest camera-ready local marketing materials; participate in on-line business building sessions with us, other franchisees, and outside vendors; send messages and information to the Franchise Support Center; train your employees, and other functions we may develop from time to time. We do not charge a fee for the Franchise Portal; however, to participate in the program, you must have access to the Internet. We reserve the right to charge a fee for the Franchise Portal at any time in the future upon notice to you.

[If we allow you to include a Smoothie Bar in your Store, you must acquire from approved suppliers equipment consisting of 2 freezers \(one for the front, and one for the back room\), a refrigerator unit, and ice cube maker and filter, as well as 2 blender stations. These Smoothie Bar equipment costs do not include taxes or shipping charges.](#)

4. All GNC Stores are required to have approved exterior signs featuring our trademarks to identify the location. Exterior signage includes, but is not limited to, illuminated channel letters, pylon signs or under canopy signs. [You must acquire any interior signs for a Smoothie Bar from approved suppliers.](#) Manufacturing and installation of signage must adhere to landlord and local regulations.
5. Fixtures include, but are not limited to, the wall units, cash wrap, gondolas, track lighting, accent lighting, and refrigerators. [The Smoothie Bar contains a separate cash wrap, lighting and wall unit. You must acquire Smoothie Bar fixtures from approved suppliers.](#)
6. Generally, we will construct your Store. We will charge you for the construction costs for the Store, as well as a Project Management Fee for construction oversight. Included in the construction costs are estimated costs to build out the Store. The cost will vary depending on the location and condition of the premises, the type of Store you will franchise, the requirements of the landlord for the Store location, and the building code requirements of your area. Shipping and installation costs are included in the construction estimates. Construction includes installation of all the materials to build out the Store such as acoustical ceiling and flooring materials, plumbing, fixtures, HVAC, electrical, and drywall. Other construction costs you may incur include lighting, props (pieces used in Stores for visual effects and decoration), floor (if not already installed, wood flooring or ceramic tile), graphics (interior signage and photos), and miscellaneous items (plexiglass sign holders, etc.). [You must engage a third-party contractor for construction of a Smoothie Bar in the Store.](#)

As-is locations are sites which are leased in their present condition. This might mean that the previous tenant has removed fixtures, etc. Vanilla shell locations are sites where the space may have been prepared by the landlord with electrical service, 2 x 4 light fixtures, 2 x 4 acoustical ceiling tiles, plumbing, drywall and HVAC. Thus, leasing a vanilla shell space will generally decrease your initial investment because the site is ready for the installation of fixtures, flooring, cashwrap and additional electrical items.

7. We may require payments in stages during the construction process for the Store (for the estimated costs of inventory, signage, equipment, fixtures, and construction costs for the Store). For example, we may require 34% of the estimated costs at the time the building permit is received, 33% of the estimated costs at the start of construction, and the balance of the costs when construction is completed.
8. You will be required to engage architectural and engineering consultants to prepare stamped architectural drawings and obtain permitting for a standard GNC Store design. These consultants will prepare architectural, electrical and mechanical drawings that must comply with applicable governmental building codes and regulations. Generally, you will engage architectural and engineering consultants designated by us, and we will pass through those consultant expenses to you. In our sole discretion, we may allow you to engage your own architectural and engineering consultants. You may incur additional fees for any design and engineering in addition to a standard GNC Store design- [\(e.g., addition of a Smoothie Bar\).](#)
9. You must pay us a \$5,000 project management fee for oversight of the construction of your Store. This fee offsets our in-house costs for ordering, logistics, coordination, fixture layout, bidding, and carrying costs for materials and fixture package. [If we allow you to incorporate a Smoothie Bar](#)

[into your Store, you may also be required to pay us an additional management fee for construction of the Smoothie Bar, which will vary depending on the scope of work and the level of engagement by our construction team.](#)

10. Opening inventory includes a supply of inventory items with a wholesale cost of approximately \$80,000 to \$85,000 for a New Franchise Store. Your store at all times must maintain its opening order inventory value to ensure an adequate stock of inventory. At a minimum to not be at risk for being in default of your franchise obligations, you are required to maintain at least \$60,000 of inventory at wholesale cost, in an appropriate mix that ensures that the store is at all times fully stocked in accordance with GNC’s merchandising and plan-o-gram guidelines, presents a full display of products to customers, and consists of no more than 10% of non-planogram products, provided that you must otherwise maintain adequate inventory to effectively operate. [For a Smoothie Bar, you must purchase inventory from approved suppliers. The estimated opening inventory for a Smoothie Bar includes paper products, fruit, juice, supplements and additives.](#)
11. Business and worker’s compensation insurance costs vary depending on the Store location in the United States and whether it is an urban or rural location. Business and worker’s compensation insurance costs average approximately \$4,500 per year, but the range is from \$2,000 to \$7,600 per year. These figures are based on numbers provided by Hylant, which is the insurance broker that a majority of our franchisees use. Generally, coastal franchisees and franchisees located in hazard zones (i.e., areas that may be subject to wildfires, hurricanes, flooding, tornadoes, and other hazards) can expect to pay higher premiums. Global or national conditions may cause your insurance costs to be higher. See Item 8 for a more detailed description of our requirements for business and worker’s compensation insurance.
12. The cost of initial training is included in your franchise fee; however, you must pay for your lodging, travel and additional expenses incurred by traveling to Pittsburgh, Pennsylvania, if Phase II training is held there (and not virtually). See Item 11 for a description of our training requirements.
13. Miscellaneous opening costs include the costs of various supplies, including cleaning supplies, bathroom supplies, office supplies, and other general supplies necessary to operate your Store.
14. Our franchisees typically lease their space from a third-party landlord. ~~The, but there may be~~ [circumstances where we will sublease Store premises to a franchisee, such as where we franchise an existing company-owned Store already subject to a lease Whether you lease your Store premises from a third-party landlord or sublease the premises from us, the](#) amount in the above chart is the estimated cost range for one month for base rent, common area maintenance charges, real estate taxes, insurance, and other charges including deposits, utilities and merchant’s association charges, and is based on the lease costs for corporate Stores that are operated in strip center locations. The cost per square foot of commercial space varies considerably depending on size, condition, location and market conditions affecting commercial property. However, in general, you must pay base rent, common area maintenance charges, and real estate taxes. Depending on lease requirements, you may also have to pay a rental deposit when the lease begins, in addition to other occupancy costs such as insurance, utilities, promotional fund charges, and merchant’s association charges. The following table shows the average annual lease costs based on the experiences of our corporate stores:

|                         | <b>Mall</b> | <b>Strip</b> | <b>Downtown</b> |
|-------------------------|-------------|--------------|-----------------|
| Base Rent               | \$38,042    | \$36,658     | \$123,118       |
| Common Area Maintenance | \$4,277     | \$3,706      | \$574           |

|                 |         |         |         |
|-----------------|---------|---------|---------|
| Real Estate Tax | \$3,576 | \$2,637 | \$6,355 |
| Insurance       | \$28    | \$321   | \$98    |
| Other           | \$4,777 | \$367   | \$1,144 |

Typical locations are open air strip shopping centers. We will also franchise locations in malls and downtown locations. You will need approximately 1,000 to 1,500 square feet for the Store. We generally do not approve site submissions for franchises in enclosed malls with a total Gross Leasable Area of more than 500,000 square feet, unless you are an existing franchisee opening a new Store inside your protected territory and we approve the location.

15. We have relied on the years of experience that we and our predecessors have had in this business to compile this estimated range for Additional Funds. We have formulated this estimated range based on information from our corporate Stores and from our franchisees. The requirement for Additional Funds varies depending on the type and size of the Store you will open. This is the minimum amount of working capital we recommend you have on reserve to pay for the first three months of operational expenses, including rent, organizational costs, deposits, business licenses, insurance, replacement of inventory, POS maintenance fees, and salaries when you begin operations. These expenses include payroll costs. These figures are estimates and we cannot guarantee that you will not have additional expenses starting the business.
16. We have relied on the years of experience that we and our predecessors have had in this business to compile these estimates. We have also relied on information we have obtained from our franchisees. The cost estimates given in this table are based upon corporate and franchised Stores that have been opened in strip center locations. The figures in this table are approximations only, and may increase or decrease according to, but not limited to, such factors as whether you open your Store in an urban or rural area, whether the Store is in a mall or strip center location, whether the location is leased as-is or in vanilla shell condition, and how rapidly you open your Store. In addition, your total cost will vary according to whether you are an employee, existing franchisee or new franchisee, and the type of franchise you are awarded.

The total figures do not include compensation for your time or labor, nor do they take into account any finance charges or other costs which you may incur to finance all or any portion of your investment. You should review these figures carefully with a business advisor before making any decision to purchase the franchise.

## ITEM 8

### RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

#### REQUIRED PURCHASES AND LEASES

You must install and use in or about the Store only the equipment, furniture, fixtures, graphics, inventory, and other items (collectively “items”) we prescribe or approve through the Manuals or otherwise in writing. You must comply with our minimum inventory requirements, and carry and offer for sale the quality and brand of vitamin and mineral supplements, including GNC Brand Supplements, and all other products which we may specify in the Manuals or otherwise in writing. You must not offer or sell any product of any kind or character without our express prior written consent. We may approve or disapprove items at any time and for any reason, and if a product is disapproved by us or any law, statute or regulation, you must discontinue that product (whether or not previously authorized by us) promptly, upon notice from us.

In evaluating products, among the many factors we may consider are a product’s safety, specifications, consumer demand, efficacy, reputation, manufacturer, prominence in the market, competitive position, availability to all GNC Stores, price, profit margins, and competitiveness with other products we sell or approve. We also will consider whether a product fits within our current or potential marketing and merchandising programs and other business factors. We have no duty or obligation to approve a product, even if it reasonably satisfies all of these criteria.

The following is a list of items we require you to purchase, either from us or approved suppliers or under our specifications, in order to establish and/or operate your franchise. Currently, we are the only approved supplier of your POS and peripherals, ~~retail tablet~~, and ~~POS secure payment system/terminal~~ [iPad and peripherals](#); most of your inventory; and equipment, fixtures, signage, and materials for construction and operation of ~~your~~ [a standard GNC Store design](#).

**Equipment/Technology.** You must purchase from us a POS and peripherals, ~~a retail tablet~~, and ~~our POS secure payment system/terminal~~ [iPod & peripherals](#). The package is custom designed to provide GNC Stores with computer assisted product ordering, receiving, transfers and replenishment, price look-up, new item setup, merchandise reporting, communication with us related to products and the provision of financial information, as well as assisting you in recording normal sales transactions. You are required to have a separate computer (~~we currently do not support Apple-based products~~) and printer that meets our minimum specifications to access relevant franchisee information and reporting. [For a Smoothie Bar, you must purchase from approved suppliers equipment consisting of a refrigerator or cooler, 2 freezers \(front and back\), ice cube maker and filter and at least 2 blending stations.](#)

**Inventory.** You must purchase from us or approved suppliers the products set forth in our current Inventory Plan. The Inventory Plan sets forth the required Store layout and design and provides for the types of products you must carry, including specific GNC and non-GNC brand products. You may also offer and sell any of the other lines of approved merchandise categories (which include vitamin and mineral supplements, sports nutrition products, herbs, health foods, beauty products, diet products, physical fitness products and apparel and health management products and services). The Inventory Plan is subject to change periodically at our sole discretion. [Further, for a Smoothie Bar, you must purchase inventory and supplies, which includes paper products, fruit, juice, supplements and additives, from approved suppliers.](#)

We may require you to purchase any or all of the inventory for your Store, including GNC brand products and non-GNC brand products, exclusively from us. You will purchase most of the products that you sell from us through NutriMarket, our custom product ordering platform. ~~We may derive income from these inventory purchases.~~ We also may allow you to purchase approved products from other suppliers and manufacturers we have approved in writing. We currently do not sell perishable goods. However, you may carry perishable goods with our prior written approval according to our guidelines for purchasing, storing, stocking and selling those goods. You may only purchase those food products which we have approved from suppliers and manufacturers approved by us. You must notify us of all perishable items which you stock by type and supplier or manufacturer. If we disapprove the items or the supplier or the manufacturer for any reason, we will notify you and you must immediately cease selling those items or purchasing goods from that supplier or manufacturer.

We are sometimes able to negotiate price reductions from third-party vendors of non-GNC-branded products. When we agree on a price reduction, we generally notify you in writing of the terms and conditions of receiving the reduction.

**Store Construction.** Your Store must be constructed and equipped in accordance with our specifications and standards. You may not install or permit others to install, without our prior written consent, any fixtures, furnishings, signs, equipment, or other improvements that we have not previously approved. Generally, you will engage architectural and engineering consultants designated by us to obtain permitting for a standard GNC Store design and prepare architectural, electrical and mechanical drawings for the Store. Generally, we will construct and equip your Store using contractors designated by us, and we will provide directly to you all necessary fixtures, signage and equipment for your Store. [For a Smoothie Bar, you will hire a third-party contractor to complete construction of the Smoothie Bar, and you will acquire fixtures, signage and equipment for the Smoothie Bar from approved suppliers.](#)

**Lease.** If you lease your space directly from the landlord, you must include certain provisions required by us in your lease. The lease must have a provision which requires the landlord to give us notice of your default; a provision that landlord must provide us with copies of all written notices of default sent to the tenant; a provision that, should the tenant fail to cure any default, including abandonment of the premises, the landlord must notify us in writing of its intention to terminate the lease prior to landlord exercising any right to terminate; a provision that allows us to enter the premises to take such necessary reasonable actions to protect our Proprietary Marks and the System; and a provision that allows us to enter and take possession of any fixtures, furniture, equipment and inventory in which we have a security interest. In addition, the lease must not include any radius restrictions for GNC Stores, and it must not include any protected territory provisions. [If you sublease your space from us, you will enter into the form of Sublease attached as Exhibit I to this disclosure document.](#)

**Insurance.** You must purchase and maintain, at your expense, adequate insurance coverage which meets the specifications outlined in your Franchise Agreement (or the Manuals) from an approved supplier. The insurance policy or policies must protect you, us and our affiliates, and our and their officers, directors, partners, and employees, against any claims for loss, liability, personal injury, death, property damage, or any expense arising out of your franchised business. All policies must be written by an insurance company satisfactory to us and that has an A.M. Best rating of not less than A-VII. All policies of insurance must be primary and non-contributory to any policies of insurance maintained by us, and must contain a provision requiring 30-days' written notice of cancellation to us. Currently, policies must include, at a minimum (except as additional coverages

and higher policy limits may reasonably be specified by us from time to time in the Manuals or otherwise), the following:

- (i) Comprehensive general liability insurance, including product liability, contractual liability, personal and advertising injury, property damage, and auto owned, hired and non-owned vehicles in the amount of:
  - (a) \$2,000,000 per occurrence and aggregate naming us and our affiliates as additional insureds in each such policy or policies; such policies will also apply to vehicles purchased in the name of the business, will include fire/tenant legal liability insurance in an amount not less than \$250,000 and medical payments of \$5,000. All such policies shall provide for waivers of subrogation and be written on an Occurrence Form. If you have multiple locations, the following additional umbrella limits will apply (a per location endorsement will be required so that the general aggregate limit applies separately to each individual location): for 2-5 locations, the minimum umbrella limit is \$2,000,000; for 6-10 locations, the minimum umbrella limit is \$4,000,000; for 11-15 locations, the minimum umbrella limit is \$6,000,000; and for more than 15 locations, the minimum umbrella limit is \$8,000,000; or
  - (b) A primary policy in the amount of \$1,000,000 per occurrence, \$2,000,000 aggregate, with an excess policy in the amount of \$1,000,000, naming us and our affiliates as additional insureds in each such policy or policies; such policies will also apply to vehicles purchased in the name of the business, will include fire/tenant legal liability insurance in an amount not less than \$250,000 and medical payments of \$5,000. All such policies shall provide for waivers of subrogation and be written on an Occurrence Form. If Franchisee has multiple locations, the following additional umbrella limits will apply (a per location endorsement will be required so that the general aggregate limit applies separately to each individual location): for 2-5 locations, the minimum umbrella limit is \$3,000,000; for 6-10 locations, the minimum umbrella limit is \$5,000,000; for 11-15 locations, the minimum umbrella limit is \$7,000,000; and for more than 15 locations, the minimum umbrella limit is \$9,000,000; and
- (ii) Property insurance, written on a special form coverage with primary and excess limits of not less than the full replacement value of your Store(s), their equipment furniture, signs, inventory, and fixtures. The maximum deductible on this policy will be \$10,000; and
- (iii) Business interruption insurance, in an amount equal to the greater of (i) \$250,000, or (ii) your annual Gross Sales for the preceding calendar year. Such policy shall name us as an additional insured. The amount of such policy shall be adjusted on an annual basis to reflect the greater of the two amounts stated above; and
- (iv) Such other insurance in the types, amounts and other terms and conditions, as may be required by applicable law or by lease or other relevant contract, including workers' compensation and employer's liability insurance.

Your lease (or sublease) may also impose certain insurance requirements upon you; the more restrictive language will apply (e.g., if higher limits are required by us than by the landlord for a certain type of insurance coverage, our limits will apply for that particular coverage). Your obligation to obtain and maintain these insurance policies will not be affected by any insurance which we may maintain for us or our affiliates. After you obtain the required insurance, and on each policy renewal date, you must promptly give us evidence that you have obtained the required insurance and provide us with proof of

payment and, if we request it, copies of all policies and policy amendments. The evidence of insurance must include a statement by the insurer that the policy or policies will not be canceled or materially altered without at least 30 days' prior written notice to us.

If for any reason you fail to procure or maintain the insurance required, we will have the right (but not the obligation) to immediately procure insurance and to charge you with the full cost of that insurance and up to \$500 per location for our reasonable expenses in acquiring the policy or policies. You must pay this amount immediately after we request it. Failure to timely procure and maintain the required insurance is a default under your Franchise Agreement.

We estimate that the required purchases and leases described above represent approximately 95% of the cost of all purchases and leases by you of goods and services in establishing your franchised business. We estimate that your ongoing required purchases or leases required to operate the franchised business will represent approximately 100% of your total purchases or leases.

#### **APPROVAL OF ALTERNATE SUPPLIERS AND VENDORS**

You must purchase or lease all equipment, inventory, fixtures, signage, and other products and materials required for the operation of your Store from us or suppliers (including distributors, manufacturers, and other sources) which we approve. We may require you to purchase any or all of the foregoing items exclusively from us, in our sole discretion. None of our officers owns an interest in any of our approved third-party suppliers. We may approve or disapprove any supplier (including proposed or existing suppliers) at any time for any reason.

In evaluating a supplier or proposed supplier, among the many factors we may consider are the criteria we use to evaluate products; the supplier's financial capacity; the supplier's ability and willingness to supply all GNC Stores and provide indemnification and insurance to protect us and our franchisees against claims; the quality of its production facilities; frequency of deliveries; reputation; competitive position vis-à-vis us and our affiliates; the number and type of claims made against the supplier; its willingness to promote and support us and our franchisees and other business factors. We have no duty or obligation to approve a supplier or to continue to approve a supplier even if the supplier satisfies all of these criteria.

In evaluating products from third party suppliers, among the many factors we may consider are a product's safety, specifications, consumer demand, efficacy, prominence in the market, competitive position, availability to all GNC Stores, price, profit margin and competitiveness with other products we sell or approve. We have no duty or obligation to approve a product or to continue to approve a product, even if it reasonably satisfies all of these criteria. Generally, we will make our criteria for approving suppliers and products available to franchisees.

If you desire to purchase any items from a then-unapproved supplier, you may submit to us a written request for approval. We may condition our consideration of a supplier upon, among other things, our representatives personally inspecting the proposed supplier's facilities and upon our testing samples of the product supplied by the proposed supplier. We may impose a charge to test or inspect the products and the proposed suppliers' facilities. We reserve the right to grant and to revoke our approval of any supplier or any product at any time for any reason. There is no set time frame within which we must approve a proposed supplier or product, but we generally make approval decisions soon after you make the request.

## ISSUANCE AND MODIFICATION OF SPECIFICATIONS

To ensure a uniform image and uniform quality of products and services throughout the GNC System, you must strictly conform to our currently or later prescribed methods, standards, and specifications. We formulate standards and specifications based upon what we, in our subjective opinion, determine is best to further our mission statement. Our methods, standards and specifications are found in the Manuals or otherwise in writing and are issued to our franchisees and, as applicable, to our approved suppliers. You must not use or sell products, materials, fixtures, equipment, supplies, forms, and other items which we either have not expressly approved in writing or which do not conform to our written standards and specifications.

## REVENUE DERIVED FROM REQUIRED PURCHASES OR LEASES

We and our affiliates may derive revenues or other material consideration as a result of required purchases or leases by franchisees. We reserve the right to enter into arrangements from which we or our affiliates may receive payments, rebates, discounts or other amounts from suppliers, manufacturers or other parties based upon purchases or leases by franchisees and to use any payments, rebates, discounts or other amounts received by us from suppliers, manufacturers or other parties in connection with those arrangements without restriction. We are not required to give you an accounting of those payments, rebates, discounts or other amounts or to share the benefit of them with you or other franchisees. Any such amounts and benefits shall be kept by us as compensation for locating and negotiating with suppliers, manufacturers, and other parties for you and other franchisees. We negotiate purchase arrangements with suppliers, including price terms, for the benefit of franchisees. These include arrangements for products and services such as bank credit card processing, the POS system, and products provided by third-party suppliers. We will make those arrangements available to you and our other franchisees. We do not provide material benefits to franchisees (for example, renewal of existing franchises or granting of additional franchises) based on their use of designated or approved suppliers. There are currently no purchasing or distribution cooperatives within our franchise system.

As included in our audited financial statements attached as [Exhibit LN-1](#), our total revenue for the fiscal year ending December 31, ~~2022~~[2023](#) was \$~~1,468,156,356~~[334,924,674](#). The following is our revenue derived from required purchases and leases by franchisees in the fiscal year ending December 31, ~~2022~~[2023](#): ~~\$196,448,576~~[\\$172,742,075](#) from the sale of inventory products; ~~\$1,313,233~~[175,688](#) from the sale of equipment, fixtures and graphics and construction fees; ~~and~~ ~~\$1,549,020~~[505,295](#) from POS communication fees; ~~and~~ [\\$1,388,276 from rent](#). Revenues from these required purchases and leases by franchisees were ~~13.62~~[13.62](#)% of our total revenue for the fiscal year ending December 31, ~~2022~~[2023](#). Except for total revenue, these figures were derived from our internal accounting records.

## ITEM 9

### FRANCHISEE’S OBLIGATIONS

**This table lists your principal obligations under the franchise and other agreements. It will help you find more detailed information about your obligations in these agreements and in other items of this disclosure document.**

| Obligation  | Section in franchise or other agreements   | Disclosure document item |
|---|--|--------------------------|
| a. Site selection and acquisition/lease                     | Sections 6 and 7, Franchise Agreement; <a href="#">Section 3, Smoothie Bar Addendum</a> ; <a href="#">Sublease</a> ; Sections 6 and 7, Development Agreement   | Items 6, 7, 8 and 11     |
| b. Pre-opening purchases/leases                             | Sections 4.A., 5, 6, 7, 8, and 9, Franchise Agreement; <a href="#">Sections 2 and 4, Smoothie Bar Addendum</a> ; Asset Purchase Agreement; Product Sales Agreement; <a href="#">Sublease</a> ; Sections 6 and 7, Development Agreement | Items 7 and 8            |
| c. Site development and other pre-opening requirements      | Sections 5, 6, 7, 8, and 9, Franchise Agreement; Section 2.1, 5, 6 and 7, Development Agreement  | Items 6, 7 and 11        |
| d. Initial and ongoing training                             | Section 10, Franchise Agreement  | Items 7, 11 and 15       |
| e. Opening  | Sections 2.A. and 5, Franchise Agreement; Section 5, Development Agreement   | Items 7 and 11           |
| f. Fees   | Sections 4, 6, 8, 16.E, 18.B(ii)(1), and 19.F, Franchise Agreement; <a href="#">Section 2, Smoothie Bar Addendum</a> ; <a href="#">Section 2, Sublease</a> ; Sections 4 and 11.3(ix), Development Agreement                            | Items 5 and 6            |
| g. Compliance with standards and policies/operating manuals | Sections 12 and 15, Franchise Agreement; Section 9, Development Agreement  | Items 8, 11, 14 and 16   |
| h. Trademarks and proprietary information                   | Sections 14, 15 and 22.C, Franchise Agreement; Section 4, P.O.S. Program License Agreement; Section 10, Development Agreement  | Items 13 and 14          |
| i. Restrictions on products/services offered                | Sections 12.B and 12.I, Franchise Agreement  | Items 8 and 16           |
| j. Warranty and customer service requirements               | Sections 12.K, 12.L and 17.D, Franchise Agreement  | Item 11                  |
| k. Territorial development and sales quotas                 | Sections 1, 2 and 5, Development Agreement   | Items 1, 5, 6 and 12     |

| <b>Obligation</b>   | <b>Section in franchise or other agreements</b>  | <b>Disclosure document item</b> |
|---|--|---------------------------------|
| l. Ongoing product/service purchases                      | Sections 12.B and 12.I(i), Franchise Agreement   | Item 8                          |
| m. Maintenance, appearance, and remodeling requirements   | Sections 12.E, 12.F, 19.B and 21.E, Franchise Agreement; Section 7, Development Agreement  | Items 7, 11 and 17              |
| n. Insurance  | Section 9, Franchise Agreement   | Items 6, 7 and 8                |
| o. Advertising  | Sections 4.C and 17, Franchise Agreement   | Items 6, 7 and 11               |
| p. Indemnification  | Section 23.D, Franchise Agreement; Section 5, Asset Purchase and Sale Agreement; Section 4, <a href="#">Sublease</a> ; Section 23, Development Agreement | Item 6                          |
| q. Owner's participation/management/staffing              | Section 12.D and 12.L, Franchise Agreement   | Items 11 and 15                 |
| r. Records and reports                                    | Section 16, Franchise Agreement  | Item 6                          |
| s. Inspections and audits                                 | Sections 12.J and 16.D, Franchise Agreement  | Items 6 and 11                  |
| t. Transfer   | Section 18, Franchise Agreement; Section 11, Development Agreement   | Items 6 and 17                  |
| u. Renewal  | Section 19, Franchise Agreement  | Items 6 and 17                  |
| v. Post-termination obligations                           | Section 21, Franchise Agreement; Section 9, P.O.S. Program License Agreement; Section 12, Development Agreement  | Item 17                         |
| w. Non-competition covenants                              | Section 22 and Attachment B, Franchise Agreement; Section 13, Development Agreement  | Item 17                         |
| x. Dispute resolution                                     | Section 29, Franchise Agreement; Section 20, Development Agreement   | Item 17                         |
| y. Other—POS, computer and printer and financial services | Sections 12.I(ii) and 16.E, Franchise Agreement  | Item 17                         |
| z. Other—Guarantee  | Attachment E, Franchise Agreement; Exhibit C, Development Agreement  | Items 10 and 15                 |

## ITEM 10

### FINANCING

We do not offer direct or indirect financing. We do not guarantee any note, lease or any other obligation you may incur. We do not finance ongoing Store operations, nor do we finance any new or existing franchisees that purchase existing franchised Stores.

### SECURITY AGREEMENTS

In the Franchise Agreement and Product Sales Agreement, you grant us a security interest in certain assets of your GNC Store to secure timely payment of amounts due under the Franchise Agreement, [Product Sales Agreement](#), and related agreements. We may file a UCC-1 financing statement upon execution of the Franchise Agreement and ~~related agreements~~[Product Sales Agreement](#), giving us a first position security interest in those assets (See Franchise Agreement, Section 12.Q. and Product Sales Agreement, Section 2).

### SUBORDINATION

~~If you request us~~[We may agree](#) to subordinate our security interest ~~in your fixtures, equipment and inventory as outlined described~~ in the Franchise Agreement and Product Sales Agreement, ~~and we approve that request in our sole discretion, we will require you to sign the Subordination Agreement attached in Exhibit M~~[facilitate your procurement of this disclosure document. In addition](#)~~any financing, but we are not required to requiring you do so. If we agree to sign the Subordination Agreement~~[subordinate our security interest](#), we may also lower your credit limit to 50% of your current limit and if you elect, exempt you from GNFS. The decision to subordinate our [security](#) interest is in our sole discretion, and we may not agree. (See “Revolving Credit Line” below for more information.)

### REVOLVING CREDIT LINE

We may in our sole discretion extend credit to qualified franchisees for the ongoing purchase of inventory. The amount of credit you would receive is based upon your creditworthiness as evaluated by us in our sole discretion and whether or not we have subordinated our security interest in your fixtures, furniture, equipment or inventory. Generally, the credit we will extend is based on the following formula: (1.5 x average monthly gross sales over a rolling 12-month period) + (average monthly royalties and advertising fees paid over a rolling 12-month period). The payment period is currently net50, which means that you must pay an invoice within 50 days of the invoice date. There is no interest rate associated with this revolving credit line. We reserve the right to adjust or terminate your credit at any time in our sole discretion. In addition, we reserve the right to place a “credit hold” on product orders, including in situations where you exceed your credit limit, which may result in a delay of the processing of your product order (for more details, you may refer to the Franchise Operations Manual). Furthermore, once the credit limit is reached, or if you are placed on credit hold, subsequent product orders may require payment on a “cash-in-advance” basis. In addition, if you qualify for this program, you must sign the Product Sales Agreement in the form attached as [Exhibit G](#). We may file a UCC financing statement upon execution of the Product Sales Agreement, giving us a first position security interest in your fixtures, equipment and inventory. (Product Sales Agreement, Section 2). If you do not timely pay for your product purchases, we can immediately terminate the Product Sales Agreement and accelerate the maturity of the entire amount due, repossess and/or sell any collateral securing payment of amounts due, and terminate your Franchise Agreement. You are also obligated to pay our costs and attorneys’ fees incurred in collecting the amounts due in the event of a default.

## GUARANTEE

We require all of our franchisees and their spouses to personally guarantee that any and all amounts due and owing to us or our affiliates will be paid in accordance with the terms disclosed in our Franchise Agreement and, if applicable, other agreements between the franchisee and us or our affiliates, as we deem necessary for adequate security. If the franchisee is not an individual, all principals of the franchise organization (i.e. persons or partners who sign the Franchise Agreement and in the case of a corporation, partnership or limited liability company, the shareholders, partners, managers or members of that organization), and their spouses, to personally guarantee that any and all amounts due and owing to us or our affiliates will be paid in accordance with the terms disclosed in our Franchise Agreement and, if applicable, other agreements between the franchisee and us or our affiliates, as we deem necessary for adequate security. This guarantee gives us the right to collect any amounts due us or our affiliates from you personally.

## WAIVER OF DEFENSES

The Franchise Agreement, Guarantee, Development Agreement, Product Sales Agreement, ~~and~~ Asset Purchase and Sale Agreement ~~and~~, ~~and~~ [Sublease](#) contain a provision in which you waive the defense of *forum non conveniens*, that is, the claim that the court in which the action is brought is inconvenient or inappropriate, and your right to a jury trial (*See* [Exhibit G](#), Product Sales Agreement, Sections 7 and 9; Franchise Agreement, Sections 29.D and 29.E; Guarantee, Attachment E to Franchise Agreement, Sections 8 and 9; Development Agreement, Sections 20.4 and 20.5; ~~and~~ [Exhibit H](#), Asset Purchase and Sale Agreement, Section 13.3; ~~and~~ [\(Exhibit I, Sublease, Sections 17 and 18\)](#)). The P.O.S. Program License Agreement contains a provision in which you waive your right to a jury trial (*See* [Exhibit H](#), P.O.S. Program License Agreement, Section 18). Generally, you have the right to a jury trial in civil litigation. The laws of certain states do not permit you to waive your right to a jury trial. The Franchise Agreement, Guarantee, ~~and~~ Product Sales Agreement ~~and~~, ~~and~~ [Sublease](#) contain a confession of judgment provision (*See* Guarantee, Attachment E to Franchise Agreement, Section 10; [Exhibit G](#), Product Sales Agreement, Section 8; ~~and~~ Franchise Agreement, Section 29.C; ~~and~~ [Exhibit I, Sublease, Section 16](#)). The laws of certain states may not permit us to exercise the confession of judgment remedy.

## THIRD PARTY FINANCING ARRANGEMENTS

### **Small Business Administration Program Lending**

The U.S. Small Business Administration (“SBA”) provides a number of financial assistance programs for small businesses, including franchise financing. 7(a) loans are the most basic and most common loan of the SBA's business loan programs. SBA loans are not provided by the SBA but rather by lenders that participate with the SBA in the 7(a) loan program. The SBA typically charges a guaranty fee along with other usual and customary lender closing costs associated with providing the loan.

Interest rates are subject to SBA maximums and are tied to a spread over the prime rate, the LIBOR rate, or an optional peg rate. Interest rates may be fixed or variable. Additional and more specific information on the SBA 7(a) and other SBA loan programs and a list of participating lenders can be found at [www.sba.gov](http://www.sba.gov). However, to the extent that the SBA requires as a condition to any loan that we subordinate our interests to theirs, our decision to do so is in our sole discretion, and we may not agree.

## OTHER FINANCING INFORMATION

We are unable to estimate whether you will be able to obtain financing for all or any part of your investment. If you obtain financing from others, we cannot predict the terms of that financing other than as described in this Item 10.

## ITEM 11

### FRANCHISOR'S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS AND TRAINING

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

#### OBLIGATIONS WE MUST MEET BEFORE YOU OPEN

Before you open your GNC Store, we will:

- 1) Designate your protected territory, if any. (Franchise Agreement - Selected Term Summary)
- 2) Approve the site for your Store. Generally, you will locate the site for your Store and submit it to us for our approval. We may refuse to grant approval for a site for any reason in our sole discretion. Your Store location must be at least 1,000 square feet. (Franchise Agreement - Section 6)
- 3) Provide you with standard specifications for a typical Store, including fixtures, furnishings, equipment, supplies, forms, inventory, and signs; and where applicable, furnish specifications for exterior work and renovation. (Franchise Agreement - Section 13.A) If applicable, we will provide you the standard specifications for a Smoothie Bar, including fixtures, furnishings, signs, inventory, equipment, supplies and forms. We will also furnish specifications for any exterior work or renovation needed or required by lessor. We reserve the right to charge you a fee for these specifications. Generally, we will designate architectural and engineering consultants, at your expense, to obtain permitting for a standard GNC Store design and to prepare architectural, electrical and mechanical drawings for the Store. ((Franchise Agreement - Section 8)
- 4) Generally, construct (or remodel, in the case of a Conversion Store) and provide project management services for ~~your~~ a standard GNC Store design at your expense. We will provide directly to you all necessary opening inventory, fixtures, signage and equipment for ~~your~~ a standard GNC Store design at your expense. (Franchise Agreement – Section 8 and Development Agreement – Section 7). We will deliver these items to your Store, and our contractors will install them.
- 5) Train you and one other person in our franchise training program. (Franchise Agreement - Section 10.) (See below for a discussion of our training program.)
- 6) Provide you, on loan, one copy of our Manuals. (Franchise Agreement - Section 13.E) Currently, we maintain and provide our Manuals to you electronically. These Manuals contain mandatory and suggested specifications, standards, and procedures. These Manuals are confidential and remain our property. We may modify these Manuals, and you must comply immediately with any modifications (unless we allow a longer time to comply). (Franchise Agreement – Section 15) The table of contents of the Franchise Operations Manual is in Exhibit C.

7) For Development Agreements, grant you the right to open a specific number of franchised Stores within a specific geographic area within a specified timeframe, and enter into a Franchise Agreement for each location developed by you. (Development Agreement – Section 1)

8) For Development Agreements, provide to you site selection guidelines, including our minimum standards for locations for the GNC Stores, and such site selection counseling and assistance as we may deem advisable, and such on-site evaluations as we may deem advisable in response to your requests for site approval. (Development Agreement – Section 8.1)

## **OBLIGATIONS WE MUST MEET WHILE YOU OPERATE YOUR FRANCHISE**

During the operation of your GNC Store, we will:

- 1) Make available to you our standard specifications for fixtures, furnishings and signs necessary to operate a typical Store. (Franchise Agreement - Section 13.A)
- 2) Make available at your expense additional training programs and refresher courses that we decide are appropriate. (Franchise Agreement - Section 13.B)
- 3) Periodically prepare and offer to you advertising and promotional materials for the Store. (Franchise Agreement - Section 17.C) You must pay for these advertising and promotional materials.
- 4) If you elect to participate in GNFS, we will provide monthly financial services at your expense. (Franchise Agreement - Section 16.E)
- 5) Provide initial and continuing advisory assistance to assist you in operating the Store, including periodic advice and materials on new sales and marketing developments and operational techniques, and periodic newsletters and bulletins regarding the System. (Franchise Agreement - Section 13.D) You must permit us or our agents to enter your Store at any reasonable time to conduct inspections. (Franchise Agreement - Section 12.J)
- 6) Review and approve advertising which you have submitted to us. (Franchise Agreement - Section 17.F)
- 7) Provide suggested prices for the products that you sell in your Store, but we do not have any contractual obligations to assist you in establishing prices. You generally have the right to sell products at any prices you may determine. However, to the fullest extent permitted by law, we have the right to establish minimum and/or maximum prices for any product or service that you offer.

## **ADVERTISING**

We have established the National Advertising and Promotional Fund (the “Fund”) to facilitate advertising for the franchise system. We are obligated to maintain and administer the Fund. The Fund is used to meet all costs of maintaining, administering, directing, and preparing advertising and promotional activities. We are responsible for conducting all advertising, promotional and marketing programs for national and regional coverage, and make all decisions regarding concepts, materials and media. We use television, radio and print advertising media, as well social and electronic media, to conduct advertising. Media coverage is generally national and regional. We have an in-house marketing department, but we

also may use advertising agencies and consultants. We create and distribute the materials you will use for advertising, conduct market research, and organize public relations activities.

All franchisees contribute to the Fund at the same rate, which is currently 3% of total gross sales (although we reserve the right to increase or decrease this fee from time to time on thirty (30) days' prior written notice to franchisees). GNC Stores owned and operated by us are not required to contribute to the Fund; however, we or our affiliates may in our sole discretion elect to contribute to the Fund. We are not required to make expenditures for any franchisee in proportion to its contribution to the Fund, nor are we required to ensure that any franchisee benefits directly or pro rata from expenditures by the Fund. We are also not required to spend any amount on advertising in your territory or area. We spend the money collected for the Fund for media, direct marketing, in-store marketing, events and promotions and public relations. The Fund is also used for other marketing programs like updating packaging and conducting market research studies. We do not use the Fund to solicit new franchise sales.

We will generally spend all contributions to the Fund during the fiscal year in which they accrue; however, if excess amounts remain in the Fund at the end of a fiscal year, we roll those amounts over to the following fiscal year. We may prepare an unaudited annual [or more frequent](#) report of the operations and expenditures of the Fund as shown on the books of the Fund ~~at our sole discretion~~, and if that report is prepared, we will make it available to you. [You may also obtain, upon request, any such report prepared by us.](#)

For our fiscal year ended December 31, ~~2023~~~~2022~~, the percentage of Fund contributions were spent as follows:

|                             |            |
|-----------------------------|------------|
| Production*                 | 42%        |
| Media placement             | 5051%      |
| Other Marketing             | 38%        |
| Merchandising               | 89%        |
| Solicit new franchise sales | 0%         |
| Total                       | 100.00% ** |

\*Production costs are combined within each category. The "Production" category only includes the cost for producing TV, radio, print, brand videos and other advertising. However, there are production costs associated with other types of advertising as well (e.g., in-store signage, direct mail and packaging), and these costs would be included within the other line items.

\*\*Our franchisees currently pay 3% of their gross sales to us (although we reserve the right to increase or decrease this fee from time to time on thirty (30) days' prior written notice to franchisees), from which we deduct our administration costs. We spend the money collected for the Fund for media, direct marketing, in-store marketing, events and promotions and public relations. The Fund is also used for other marketing programs like updating packaging and conducting market research studies. We do not use the Fund to solicit new franchise sales.

We must approve in writing any advertising or marketing activities that you conduct or which are conducted on your behalf. You must use only advertising materials prepared by us, or materials which have been approved by us if we have not prepared them. If you do not receive written approval from us within 30 days after we receive the materials, those materials are deemed disapproved.

We have not formed a national advertising council or cooperative to advise us on advertising policies. If one is formed, we will have the power to select and approve the members and to form, change or dissolve the advertising council or cooperative.

## TECHNOLOGY

You agree to purchase from us or designated third party vendors such technological devices and systems that we deem necessary from time to time to effectively conduct the operation of Stores under the System. You agree to continually update and use the technology, platforms, devices and systems that we prescribe from time to time in our sole discretion.

Currently, you must purchase a POS system and peripherals, ~~a retail tablet,~~ and ~~a POS secure payment system/terminal,~~ iPad and peripherals from us. The POS system will keep track of sales, transmit that information to us and gather and summarize data which will allow sales and cost data to be tabulated and reported to us. We will have independent and unlimited access to this information and data (*See* Item 8). There are no contractual limitations on our right to access this information. The POS system includes intelligent terminals (or other equipment as we may designate), cash drawers, cabling, scanner, pin pad, and power conditioners.

The cost of purchasing the POS system will be at market pricing, and the current cost for this system is approximately ~~\$5,000~~ \$3,500 to \$7,000 depending upon your register lane count (~~See Item 7~~). These costs do not include taxes or shipping charges. When discounted pricing can be obtained, we will pass the savings on to you.

Because technology is constantly evolving, we will require you to make a continuing investment in Store technology (including hardware) throughout the term of your franchise. You are obligated to properly maintain and upgrade/update the technology within the Store and will be required to replace or update it as determined by us, which we estimate to be ~~at 5-year intervals but can occur in lesser time intervals as we deem necessary,~~ every 3-5 years via a hardware refresh schedule that will be communicated to you; however, upgrading/updating may be required more frequently as we deem necessary. The Franchise Agreement does not limit the frequency or cost of this obligation. We do not have any contractual obligation to provide ongoing maintenance, repairs, upgrades, or updates for your Store technology system. If we send you updates, you must install them within 30 days after receipt. You will be charged maintenance fees to cover the costs of supporting the system. Maintenance fees cover the actual costs for maintenance of the system. We derive no profit from maintenance fees. Your cost for maintaining the POS system is approximately \$75 per month for the first register and \$25 per month for an additional register. Maintenance fees for POS communications are currently ~~\$180~~ \$233 per month. Maintenance fees for our POS secure payment system/terminal are currently ~~\$16.00~~ per month. Your cost for in-Store Wi-Fi (only for GNC IT equipment) is currently ~~\$10.50~~ \$18 per month. Your cost for a cellular plan (if you purchase an iPad to use to ring sales at approved events outside your Store) is currently \$16 per month. Each year, costs relating to your Store technology are subject to re-evaluation in order to determine your monthly technology maintenance fees. We reserve the right to change any or all of these fees on an annual or more frequent basis.

You must sign the P.O.S. License Agreement for the POS system in Exhibit H. The POS system is proprietary, and you may not copy, modify or transfer the program in whole or in part. Furthermore, because of its proprietary nature, upon termination or expiration of your Franchise Agreement, you must return the Store technology equipment and software to us, and we will credit your account for its depreciated value. (*See also* Items 6, 7, 8 and 9 for additional information regarding POS.)

We require you to provide a PC and printer from a third-party vendor (we currently do not support Apple-based products). The computer should meet current standards for performance, have high speed Internet connectivity, and be Windows-based. The computer must have an operating system of Windows 10 or higher and be capable of handling the Internet.

We also require you to participate in our Franchise Portal. The Franchise Portal gives you free access to a secure web site that allows you to access our confidential Manuals, receive company news and special notifications; communicate to company managers electronically; pose questions to us or our affiliates; search on-line libraries for information on products, pricing, marketing and operations; customize and print our newest local marketing materials; participate in on-line business building sessions with us, other franchisees, and outside vendors; send messages and information to the Franchise Support Center; train your employees; and other functions which we may develop from time to time. We do not currently charge a fee for the Franchise Portal, but you must have access to the Internet to participate in the Franchise Portal. We reserve the right to charge a fee for the Franchise Portal at any time in the future upon notice to you. We reserve the right to offer special incentives to the Franchise Portal participants from time to time.

## **SITE SELECTION**

Generally, you will locate and propose a site for our consideration and approval. We reserve the right to approve or decline any site in our sole discretion. We evaluate potential locations according to a number of factors, including, but not limited to, proximity to existing GNC locations, cost, demographics, visibility, traffic patterns, accessibility, road systems, highways, and natural terrain, which we analyze using our experience and our own subjective judgment. We generally will not assist you in seeking potential sites or negotiating the terms of your lease. Once the site is submitted to us and we have received all required information from you concerning the site, we will evaluate the site based on the above factors. If the site is satisfactory to us, we will notify you that the location is pre-approved. Full approval is contingent upon you being financially and operationally approved. We require that you enter into a lease for the site within 90 days of our pre-approval of the site. If we have not received a copy of the signed lease for the location within 90 days of our pre-approval of the site, the site will need to be re-submitted for our approval. Unless there is a Development Agreement in place, we generally will not enter into a Franchise Agreement until a site has been fully approved and we have received a copy of your fully-executed lease- or a letter of intent from the landlord.

If you enter into a Development Agreement, we must approve the location for each of your future GNC Stores under the Development Agreement and will determine any protected territories for those Stores, and our then-current standards for sites and protected territories will apply for each location (See Item 12 for more information).

We will consider open air strip shopping centers, downtown locations, and mall locations that meet our qualifications. We generally do not approve prospective site submissions for franchises in enclosed malls with a total Gross Leasable Area of more than 500,000 square feet, unless you are an existing franchisee opening a new Store inside your protected territory and we approve the location. You will need approximately 1,000 to 1,500 square feet for the Store.

In determining whether to allow you to include a Smoothie Bar in your Store, we may consider factors such as your operational history and experience either with Smoothie Bars in other GNC Store locations or with similar non-GNC concepts; whether you have the financial resources to construct and operate the Smoothie Bar; whether a Smoothie Bar is permitted by the lease for the location; whether the location has adequate square footage to add a Smoothie Bar; and whether you (if you are an existing franchisee) are in compliance with the terms of your Franchise Agreement and are in good financial standing. The Smoothie Bar is only approved when we issue approval in writing. Silence on our part does not constitute acceptance.

If you do not receive written approval, the Smoothie Bar is deemed rejected. If you and your Store meet our criteria, we will send you written acceptance and a GNC Smoothie Addendum that will be attached to the Franchise Agreement. Upon receipt of the executed Smoothie Addendum, you can begin the construction process. We estimate the construction time for a Smoothie Bar to be approximately 2 weeks depending upon the length of the permit process and other factors which may be beyond your and our control.

## **LEASE**

If you do not own the site, and we approve the site as described above, you must negotiate and sign your lease directly with the landlord. Generally, we will not sublease the location to you; however, there may be circumstances where we will, such as when we franchise a company-owned Store already subject to a lease. Our standard sublease is located in Exhibit I of this disclosure document; however, the precise terms of our standard sublease will vary depending on the size and location of the premises.

If you enter into a Development Agreement, we must approve the location for each of your future GNC Stores under the Development Agreement and will determine any protected territories for those Stores, and our then-current standards for sites and protected territories will apply for each location (See Item 12 for more information).

If we approve your site, you must contact the landlord to negotiate the actual lease terms for the location. You must not include any radius restrictions for GNC Stores or protected territory language in your lease. The lease must also have a provision which requires the landlord to give us notice of your default; a provision that landlord must provide us with copies of all written notices of default sent to the tenant; a provision that, should the tenant fail to cure any default, including abandonment of the premises, the landlord must notify us in writing of its intention to terminate the lease prior to landlord exercising any right to terminate; a provision that allows us to enter the premises to take such necessary reasonable actions to protect our Proprietary Marks and the System; and a provision that allows us to enter and take possession of any fixtures, furniture, equipment and inventory in which we have a security interest. You are responsible for ensuring that the required provisions are in the lease and that there are no radius restrictions for GNC Stores or protected territory language in the lease. We generally will not review your lease for compliance with these requirements. Your failure to meet these requirements, however, could result in the termination of your Franchise Agreement.

When you have concluded your lease negotiations with the landlord, you must submit the fully-executed lease to us within 30 days of execution. You acknowledge that time is of the essence, and that we will not sign a Franchise Agreement until you have submitted to us either a fully-executed lease ~~to us~~ or a letter of intent from the landlord. Any amendment to the lease must also be submitted to us within 30 days of execution.

We must receive your fully-executed lease before construction of your Store can begin. Generally, when we have received a copy of your fully-executed lease, we will begin the initial survey and other pre-construction items (e.g., Store design and permit process for the Store).

We strongly encourage and recommend that you retain legal counsel to assist you in directly leasing a Store site. We also suggest that you submit your lease to your attorney for review before you execute the lease. All costs associated with the lease negotiations, legal fees, accounting fees, lease review, and Store construction are your sole responsibility. We will not guarantee the lease on your behalf, nor will we review your lease for accuracy.

## TABLE OF CONTENTS OF THE FRANCHISE OPERATIONS MANUAL

The table of contents of the version of the Franchise Operations Manual current as of the date of this disclosure document is [set forth in Exhibit C](#). This Manual is used for and applies to all of our franchisees. The number of pages devoted to each subject in this Manual is as follows: 5 pages to Table of Contents; 9 pages to Code of Conduct; 6 pages to Franchise Concept; [4917](#) pages to Operational Support; [3432](#) pages to Business Planning; 16 pages to Administration; [5956](#) pages to Cash Control; [5048](#) pages to Inventory Control; 14 pages to Merchandising; [4846](#) pages to Personnel Management; 11 pages to Customer Service; 30 pages to Legal and Risk Management Information; 32 pages to Loss Prevention; [2420](#) pages to Maintenance and Quality Control; 11 pages to Payment Requirements; 3 pages to Internet Commerce; 5 pages to Transfers; 10 pages to myGNC Rewards; [4918](#) pages to Direct Purchase; [2823](#) pages to Local Marketing, Advertising & Social Media; and [4410](#) pages to Glossary. The total number of pages in this Manual is [441422](#) pages.

## LENGTH OF TIME BETWEEN SIGNING OF FRANCHISE AGREEMENT AND OPENING OF STORE

After you sign the Franchise Agreement or make the first payment of any consideration for the franchise, it will take approximately 180-240 days for your Store to be ready to open; however, this time frame may vary significantly depending on factors beyond our control, such as whether the strip center or mall is constructed. This time period may decrease if you are awarded a Conversion Store, which is already built and established, or if you participate in one of our special incentive programs. Whether and when your franchise may open for business is dependent upon factors including, but not limited to, the ability to timely obtain a lease for your location, building permits, zoning and local ordinances, weather conditions, shortages, or delayed installation of equipment, fixtures and signs. If you, by your actions or words, evidence an intention to abandon the potential franchise, we have the option to terminate the franchise.

## TRAINING

| TRAINING PROGRAM   |                             |                              |   |
|--|-----------------------------|------------------------------|---|
| Subject  | Hours of Classroom Training | Hours of On-The-Job Training | Location                                      |
| <b>PHASE I:</b>  |                             |                              |   |
| Orientation to the Operation of a GNC Store  |                             | 40                           | Franchisee-operated Store near your residence |
| Orientation to the Operation of a GNC Store (in GNC's sole discretion)   |                             | 16                           | Franchise Store visits with DFO               |
| <b>PHASE II:</b>   |                             |                              |   |
| Introduction to GNC, Visions and Values, Getting to Know GNC, Business Planning, Office Organization, and Information Security | 2.25                        |                              | Pittsburgh, PA or virtually                   |
| Credit and Collections, Finance, and GNC Financial Services  | 2.75                        |                              | Pittsburgh, PA or virtually                   |

| <b>TRAINING PROGRAM</b>  |                                    |                                     |                             |
|--|------------------------------------|-------------------------------------|-----------------------------|
| <b>Subject</b>   | <b>Hours of Classroom Training</b> | <b>Hours of On-The-Job Training</b> | <b>Location</b>             |
| Site Selection and Leases  | .5                                 |                                     | Pittsburgh, PA or virtually |
| Marketing, E-commerce, Social Media, Social Assets, and Omni Channel | 2.25                               |                                     | Pittsburgh, PA or virtually |
| Recruiting/Hiring and Training Resources                             | 1.75                               |                                     | Pittsburgh, PA or virtually |
| Compliance and Loss Prevention                                       | 1.25                               |                                     | Pittsburgh, PA or virtually |
| Franchise Communication Platform                                     | 1.0                                |                                     | Pittsburgh, PA or virtually |
| Customer Service and Sales   | .5                                 |                                     | Pittsburgh, PA or virtually |
| GNC Ordering System and Nutrimarket System                           | 1.0                                |                                     | Pittsburgh, PA or virtually |
| POS Register System  | 1.0                                |                                     | Pittsburgh, PA or virtually |
| Store Experience   | .75                                |                                     | Pittsburgh, PA or virtually |
| What to Expect From Your DFO Visit                                   | .5                                 |                                     | Pittsburgh, PA or virtually |
| Review Phase III Checklist and Wrap-up                               | 1.0                                |                                     | Pittsburgh, PA or virtually |
| <b>PHASE III:</b>  |                                    |                                     |                             |
| Store Opening Assistance   |                                    | 40-56                               | Franchised Location         |

You must successfully complete all phases of initial training to our satisfaction to be eligible to open your New Franchise or Conversion Store. If you do not successfully complete any Phase of the training program to our satisfaction, we may require you to repeat it. If you do not successfully complete all Phases of training to our satisfaction, we have the option to terminate your Franchise Agreement.

At least 1 of the signatories to the Franchise Agreement must complete all Phases of training. We reserve the right to require all signatories to attend training, and your Store manager may be required to complete one or more Phases of training. If you are an existing franchisee, we may choose not to require you to complete all 3 phases of training. We will provide such instructors and training materials for the initial training program as we may deem appropriate.

Our current instructors for our initial training program are listed in the chart attached as Exhibit NO to this disclosure document. That chart includes each instructor’s length of experience in his or her field of instruction and each instructor’s experience with us and our predecessors. The following chart shows, in summary format for the subjects indicated, the instructors’ minimum experience in the field and their minimum experience with us and our predecessors:

| <b>Subject</b>   | <b>Instructors' Minimum Experience in Field (Years)</b> | <b>Instructors' Minimum Experience with GNC (Years)</b> |
|--|---|---|
| Introduction to GNC, Visions and Values, Getting to Know GNC, Business Planning, Office Organization, and Information Security | 216   | 47  |
| Credit and Collections, Finance, and GNC Financial Services  | 2.5   | 56  |
| Site Selection and Leases  | 2627  | 67  |
| Marketing, E-commerce, Social Media, Social Assets, and Omni Channel   | 112   | 21.5  |
| Recruiting/Hiring and Training Resources   | 1015  | 4.5   |
| Compliance and Loss Prevention   | 45  | 23  |
| Franchise Communication Platform   | 3840  | 2930  |
| Customer Service and Sales   | 3738  | 1516.5  |
| GNC Ordering System and Nutrimarket System   | 2321  | 237   |
| POS Register System  | 1516  | 89  |
| Store Experience   | 1735  | 27  |
| What to Expect From Your DFO Visit   | 56  | 56  |
| Review Phase III Checklist and Wrap-up   | 21  | 4   |

The training materials will consist of checklists, demonstrations, presentations, and best practices. The cost of initial training is included in the initial franchise fee, but trainees will be responsible for any and all other expenses incurred by them in connection with the initial training program, including the cost of transportation, lodging, meals, and wages if the training is conducted in our Franchise Support Center in Pittsburgh, Pennsylvania.

Following is a more detailed description of the three phases of our initial training program.

### **Phase I**

To successfully complete Phase I training, you will be required to spend 40 hours of on-the-job training in a franchisee-operated or corporate GNC Store and, in our sole discretion, depending on your experience with GNC Store operations, up to 16 hours visiting franchised GNC Stores with your Director of Franchise Operations. This training will provide you with an orientation to the operation of a GNC Store. Before designating the location for Phase I training, we will seek your input, and will attempt to choose one or two locations taking into account proximity to your residence. You are responsible for all costs you incur to attend this training (*See* Item 7). We offer Phase I training on an as-needed basis. There is no set time frame within which you must complete Phase I training, but you must successfully complete Phase I training before attending Phase II training and before you open your Store. We generally attempt to schedule this training as soon as possible after you sign your Franchise Agreement. An individual may be exempted from Phase I training if he/she has worked in a company-owned GNC store, and the GNC field team agrees that he/she has demonstrated the necessary understanding, knowledge and skills.

### **Phase II**

Phase II training requires that you attend up to a 5-day training program, which may, depending upon the situation, take place virtually or in person at our Franchise Support Center in Pittsburgh, Pennsylvania or such other location designated by us, and must be completed prior to the opening of your Store. You are responsible for all costs you incur to attend this training (*See* Item 7). Phase II training

topics are listed in the Training Program table above. We reserve the right to change the Phase II training method of delivery, location and topics at any time without notice. Understanding and mastery of the topics reviewed during Phase II training are important indicators of your ability to operate a GNC Store according to our standards. You should expect to attend our sessions, work diligently on all assignments and spend evening hours, if necessary, reviewing and learning the material. In some cases where performance in training is poor or attendance is not meeting requirements, franchisees may be required in our sole discretion to repeat Phase I as well as Phase II training. The need to repeat training may also affect scheduled Store openings and the rights granted in your Franchise Agreement. In addition, if you are an existing franchisee who wishes to exercise the option to renew your Franchise Agreement, we reserve the right to require you to attend Phase II training as a condition of renewal. We generally offer Phase II training on an as-needed basis throughout the year. There is no set time frame within which you must complete Phase II training, but you must successfully complete Phase II training before you open your Store. We will usually enroll you in the next scheduled Phase II training session that occurs after your Phase I training.

### **Phase III**

Phase III Training for a New Franchise Store is an up to 7-day process for a new franchisee, or an up to 5-day process for an existing franchisee, and takes place at the franchisee's Store. This training takes place when the grand opening shipment is scheduled to be received, and includes receiving the initial delivery and setting the Store up for opening. Phase III Training for a Conversion Store for a new or existing franchisee is an up to 5-day process that begins with the scheduled inventory date. A Director of Franchise Operations or one of our other designated representatives will oversee and assist in this process. It is recommended that you have 4-6 people scheduled for the setup of your Store. Our representative will also review your business plan and budget, and complete a checklist to ensure that you are properly trained and ready to operate the Store. We offer this training when you are ready to open the Store, and you must complete this training before you open your Store.

We do not require any additional initial training if you successfully complete Phase I, Phase II and Phase III training. In some cases, we may postpone a Phase of training (or provide an abbreviated training program) and complete the full training at a later date to expedite opening of your Store. At our option, we may require any manager subsequently employed by you to attend and complete to our sole satisfaction our initial training program. We may require that you attend additional training programs or periodic refresher courses at such times and places as we designate while you are a franchisee.

## ITEM 12

### TERRITORY

#### DESCRIPTION OF THE TERRITORY GRANTED

##### Determination of Protected Territory

In the Franchise Agreement, we grant you the right to operate a Store at a specific location that first must be approved by us. This is called the “Approved Location.” We will grant you a territory within a particular radius measured from the public entrance to the Store (not the mall or strip center entrance), referred to as your “Protected Territory,” for a specified period of time (see description below). 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. We reserve certain rights in the Franchise Agreement as explained in this Item 12, including the right to sell or distribute (or license others to sell or distribute) products identified by our trademarks (or by any other name or trademark) anywhere, regardless of the proximity to your Approved Location, through any alternative distribution methods or channels. These other sources of distribution could compete with you. For a specified period of time, though, we will not establish either a company-owned or franchised GNC Store physically located within your Protected Territory. We reserve the right to reduce or alter the Protected Territory upon any renewal of the franchise or relocation of your franchised GNC Store.

The size of your Protected Territory will vary depending on a number of factors, including demographic barriers, market strength measured by various market data profile studies, population density, median income per household, and the categories of products to be offered at your Store, particularly in relation to the competition in the relevant market. Below is a table summarizing the typical Protected Territory given depending upon the population density surrounding the Store:

| <u>Density Class (1)</u> | <u>Protected Territory (2)</u>     | <u>Protective Period (3)</u> |
|--------------------------|------------------------------------|------------------------------|
| 1-3 (Urban, Metro)       | Premises or 1/10 mile to 3/10 mile | 1 year                       |
| 4-7 (Suburban, Rural)    | Premises or 1-2 miles              | 1 year                       |

##### Notes:

1. Density Class is determined by the daytime population of the block group in which the Store is located (per sq. mile), as follows:

| Density Class | Population (per sq. mile) |
|---------------|---------------------------|
| 1             | 26,000+                   |
| 2             | 13,000 - 26,000           |
| 3             | 7,000 - 13,000            |
| 4             | 3,500 - 7,000             |
| 5             | 2,500 - 3,500             |
| 6             | 500 - 2,500               |
| 7             | 0 - 500                   |

2. For all Approved Locations, the Protected Territory shall be measured based upon a radius extending from the public entrance to the Store (not the mall or strip center entrance). The Protected Territory can vary and will usually be drawn so that it does not include any existing shopping mall if a shopping mall would otherwise be located within the prescribed area of the Protected Territory. However, the Protected Territory specifically excludes existing GNC Stores or locations under franchise, option, license, development or lease obligations or GNC Stores to be opened under any agreement with us or any of our affiliates, which were negotiated before the Store opens.
3. We will not establish another franchised or company-owned GNC Store physically located within your Protected Territory for one year after your Store has opened, after which you will generally have a right of first refusal (see explanation of this right of first refusal below).

### **Right of First Refusal**

Subject to our right in the Franchise Agreement to purchase, merge, acquire or affiliate with another franchise network, chain or business, and to operate, franchise or license those businesses as GNC Stores operating under the Proprietary Marks or other marks, if, after expiration of the protective period set forth above, we identify within your Protected Territory a site for a new GNC Store, we will give you notice of that opportunity, and you will have a right to franchise that location (the “right of first refusal”), if you execute and return a then current form of our Franchise Agreement and disclosure document receipt, pay the initial franchise fee within 30 days of receipt of our notice, and open the Store within the Pre-Opening Period of your Franchise Agreement. If you do not respond within the 30-day notice period, waive your right to open the Store prior to expiration of the 30-day period, or do not open the Store within the Pre-Opening Period, we will have the right to develop and operate the site as a company-owned Store or franchise the site, and your right of first refusal will expire.

### **Continuation of Protected Territory**

Our willingness to continue your Protected Territory under the Franchise Agreement does not depend on whether you achieve a certain sales volume, market penetration, or other contingency; however, if you have not demonstrated the ability to operate a profitable franchise over the term of your Franchise Agreement, which generally means that the gross sales of your Store are not adequate for the Store to “break even” on a profit and loss statement, we may not agree to renew your Franchise Agreement, which means that your Franchise Agreement and Protected Territory would terminate at the end of the then-current term. A Store fails to “break even” if all expenses, when subtracted from the Store’s gross revenue, results in net income of less than zero. (See also Items 5, 6, 7, 8, 10 and 19)

### **Area Development Agreement**

Your Franchise Agreement does not grant the right to acquire or open additional franchised locations. Additional franchised locations may be established if you enter into a Development Agreement with us. We will grant to you an exclusive Development Area, subject to certain rights we reserve in the Development Agreement, within which you will have the right to open a certain number of franchised Stores, provided that you do so within specified time periods. Each new franchised Store opened by you pursuant to the Development Agreement will be the subject of a separate Franchise Agreement on our then-current form. During the term of the Development Agreement, we will not open or establish, or grant any franchisee the right to open or establish, GNC Stores within your Development Area, subject to our right in the Development Agreement to purchase, merge, acquire or affiliate with another franchise network, chain or business, and to operate, franchise or license those businesses as GNC Stores operating under the Proprietary Marks or other marks. You may establish your GNC Stores at any location within the Development Area, provided we consent to the location, which consent may be withheld or granted in our

sole discretion; the location is in a state where we are permitted to sell GNC franchises; the location is not located in a territory or location in which any other GNC franchisee has exclusive rights or a right of first refusal; the location would not violate any other protected or restricted territories that we have granted or may in the future grant, such as in connection with a joint venture or Rite Aid or other retailer; and the location would not violate a radius restriction in any real estate lease. We must approve the location for each of your future GNC Stores under the Development Agreement and will determine any protected territories for those Stores, and our then-current standards for sites and protected territories will apply for each location, which include proximity to other GNC Store locations and potential profitability of the Store based on occupancy and other costs. Generally, we will not enter into a Franchise Agreement until a site has been selected and approved.

Upon the expiration or termination of the Development Agreement, except for the right of first refusal discussed in this paragraph, you will have no further right to construct, own, open, or operate additional franchised Stores which are not, at the time of such termination or expiration, the subject of a then-existing Franchise Agreement with us which is in full force and effect, and we may thereafter construct, own, open, or operate, or license others to construct, own, open, or operate Stores in your Development Area, except within any Protected Territory (during the protective period) previously granted to you pursuant to the terms of then-existing Franchise Agreements between you and us. If, for a period of one year after the expiration of your Development Agreement, we identify within your Development Area a site for a new franchised GNC Store, we will give you notice of that opportunity, and you will have a right to franchise that location, if you execute and return a then current form of our Franchise Agreement and disclosure document receipt, pay the initial franchise fee within 30 days of receipt of our notice, and open the Store within the Pre-Opening Period of your Franchise Agreement. If you do not respond within the 30-day notice period, waive your right to open the Store prior to expiration of the 30-day period, or do not open the Store within the Pre-Opening Period, we will have the right to franchise or otherwise develop the site, and your right of first refusal will expire. This right of first refusal will not apply to sites within the Development Area that we identify to construct and operate as GNC corporate Stores.

#### **RESTRICTIONS UPON SOLICITATION OR ACCEPTANCE OF ORDERS**

We do not place restrictions upon any orders you solicit or accept inside your Protected Territory regardless of the type of franchise acquired, as long as the solicitation meets the criteria outlined in Section 17, "Advertising" of your Franchise Agreement, and the solicitation does not violate the Franchise Agreement. In addition, we reserve the right to solicit or accept orders for products inside your Protected Territory. Further, in our Franchise Agreement, we reserve the right to directly market products, which may include products under the same brands that you sell. Direct marketing includes, but is not limited to, mail-order catalogues, telemarketing and the Internet.

#### **RELOCATION OF YOUR FRANCHISE**

If you cannot continue to operate your GNC franchise due to an act of God (including but not limited to fire, flood, or earthquake) or due to extreme hardship or other circumstances approved by us, we may, in our sole discretion, give you permission to relocate your Store, provided that we may reduce, alter, or eliminate the Protected Territory. You must obtain our prior written approval before you can relocate your franchise, and you and your principals must sign a general release in the form prescribed by us and pay the applicable relocation fee (See Item 6).

#### **INTERNET AND DIRECT MARKETING**

Your franchise is limited to the operation of a GNC Store for retail sales only at the Approved Location. You may not use any alternative distribution channels (other than programs we may approve in

our sole discretion) to make sales outside or inside your Protected Territory, including, without limitation, operating or using a telemarketing, Internet, mail order, direct mail, catalog, wholesale, distribution, direct sales, export or similar business or any other channel of distribution which permits customers to purchase and receive products or services without being present at the Approved Location (See Item 16). We may permit you to maintain a social media presence for your Store, provided that you, and your affiliates, employees, and store associates comply at all times with any requirements and guidelines established by us regarding social media accounts.

We and our affiliates may sell products, including GNC Brand Supplements, within your Protected Territory or Development Area through any other channel of distribution. We or our affiliates may conduct a telemarketing, Internet or any other electronic media, mail order, direct mail, catalog, wholesale, distribution, direct sales, export or similar business, which may sell, among other things, goods and services under any proprietary marks, including GNC Brand Supplements; and may sell and distribute to other unaffiliated retailers, such as drug stores, mass merchandisers and supermarkets, goods and services under any proprietary marks, including GNC Brand Supplements. These businesses may make sales to customers in your Protected Territory or Development Area, and they may be located in your Protected Territory or Development Area. We are not required to pay you any compensation for soliciting or accepting orders from inside your Protected Territory or Development Area.

We and/or our affiliates own and operate the Internet site [GNC.com](http://GNC.com). Additionally, our products, including GNC Brand Supplements, may be sold on various third-party [Internet sites/virtual marketplaces](#), including, but not limited to, [Riteaid.com](http://Riteaid.com), [Amazon.com](http://Amazon.com), [DickSportingGoods.com](http://DickSportingGoods.com), [Walmart.com](http://Walmart.com), [SamsClub.com](http://SamsClub.com), and [QVC.com Tik Tok shop](#). These Internet sites will enable customers to purchase vitamin and mineral supplements, sports nutrition products, diet and energy products, herbal supplements, health and beauty products, health care products, and related products currently available in retail GNC Stores, including GNC Brand Supplements, as well as provide free on-line information about health and nutrition. The products offered on these Internet sites may be the same or similar to those sold by you and may be offered at varying prices. We are not required to pay you any compensation for revenues derived from these Internet sites.

#### **OUR RIGHT TO ESTABLISH OTHER FRANCHISES OR COMPANY-OWNED OUTLETS AND OTHER CHANNELS OF DISTRIBUTION USING THE PROPRIETARY MARKS**

Our Proprietary Marks include any names, registered trademarks, logos and other commercial symbols used to identify GNC Stores or GNC Brand Supplements.

We and our affiliates retain all rights not specifically granted to you in the Franchise Agreement or Development Agreement, including, among others, to operate, or grant a license for the operation of, a GNC Store, kiosk or other outlet using the System and/or the Proprietary Marks at any location outside your Protected Territory or Development Area, regardless of the proximity of any of those locations to your Protected Territory or Development Area; to operate, or grant a license for the operation of, a kiosk or outlet (other than a franchised or company-owned GNC Store physically located within your Protected Territory or Development Area during your protective period) using GNC Brand Supplements and/or any or all of the Proprietary Marks at any location within or outside of your Protected Territory or Development Area, regardless of the proximity of any of those locations to any Approved Location; and to relocate GNC Stores (whether franchised or company-owned) open and operating within your Protected Territory as of your store opening date to a different location within your Protected Territory at any time during the term of your Franchise Agreement (including during the protective period under the Franchise Agreement), even if the relocated GNC Store is then closer than before in proximity to your GNC Store(s).

We and our affiliates also retain the rights to give, sell, promote, advertise and/or distribute, directly or indirectly (and to license others to give, sell, promote, advertise and/or distribute, directly or indirectly) any goods, products or services (including GNC Brand Supplements), by any other means (including direct or indirect sales, electronic communications, Internet, world wide web, websites, electronic pages, interactive electronic media, shopping networks, direct mail, mail order, catalog sales and any other method of sale or distribution which now exists or which may in the future exist) to any business, distributor, wholesaler, retailer, establishment, organization, club, outlet, individual consumer, or customer at any location. These other points of sale may be located in your Protected Territory or Development Area, and the goods, products or services may be sold to customers located in your Protected Territory or Development Area. We are not required to pay you any compensation for soliciting or accepting orders from inside your Protected Territory or Development Area.

We and our affiliates also retain the right to purchase, merge, acquire or affiliate with an existing competitive or noncompetitive franchise network, chain or any other business regardless of the location of that chain's or business' facilities, and to operate, franchise or license those businesses and/or facilities as GNC Stores operating under the Proprietary Marks or any other marks; provided, that we will not operate, franchise or license such businesses as GNC Stores operating under the Proprietary Marks within your Protected Territory during your protective period.

We may pursue and enter into wholesaling or distribution relationships with other third-party retail stores, which stores may be located within your Protected Territory, and which stores may offer for sale the same or similar products offered by you, including GNC Brand Supplements, at varying prices.

We currently have an agreement with Rite Aid Corporation that allows it to offer and sell GNC brand products and services in Rite Aid stores. These Rite Aid stores are owned and operated by Rite Aid and are staffed by Rite Aid employees. We wholesale GNC brand products to Rite Aid to sell in these stores, and Rite Aid determines how to stock and display these products. Most of these stores target the mass-market consumer in locations that are primarily freestanding (as opposed to mall or strip centers where our franchisees are usually located). In addition, these Rite Aid stores may be located within your Protected Territory. We are also the exclusive supplier of Rite Aid's private label vitamins and nutritional supplements, which may be similar to the products offered by you.

Select GNC-branded products and private-label GNC products are also currently offered and sold at various other brick-and-mortar stores, including drug, grocery, club, travel/convenience, department, big box/mass, pet, specialty, off-price/value, and military wholesale stores. These stores include, among others, Rite Aid, CVS, Walgreens, H-E-B Grocery, Alberston's, HyVee, Kroger, Meijer, Harris Teeter, Giant, Walmart, Sam's Club, Costco, Wawa, Circle K, Pilot/Flying J, Loves, Belk, QVC, Target, Fetch, BSN, Dick's Sporting Goods, Musclefoods, Campus Protein, Campus Canteen, Burlington, Family Dollar, Ross Stores, Dollar General, Big Lots, and various military wholesale stores. The products sold in these stores may be the same or similar to products offered by you, and these stores may be located within your Protected Territory.

#### **OUR RIGHT TO ESTABLISH COMPANY-OWNED OR FRANCHISED STORES AND OTHER CHANNELS OF DISTRIBUTION UNDER DIFFERENT TRADEMARKS**

We and our affiliates retain the rights to establish and operate or license any other person or entity to establish and operate retail stores, outlets or kiosks which sell or distribute similar products or services under a trademark or trade name different from our Proprietary Marks (the "Non-GNC Outlets") inside or outside your Protected Territory or Development Area. These Non-GNC Outlets may sell or lease the same or similar products or services as your Store. We and our affiliates also reserve the right to operate Non-GNC Outlets that may be acquired and converted after a transition period to GNC franchise or company-

owned Stores. These Non-GNC Outlets may carry products the same as or similar to those offered by a franchisee, such as vitamins, sports nutrition products, and health foods. We and our affiliates may manufacture and distribute products to Non-GNC Outlets owned by us or our affiliates. Subject to our right in the Franchise Agreement and Development Agreement to purchase, merge, acquire or affiliate with another franchise network, chain or business, and to operate, franchise or license those businesses as GNC Stores operating under the Proprietary Marks or other marks, if a Non-GNC Outlet owned by us or our affiliates is opened in your Development Area or your Protected Territory after your franchised Store opens, the Non-GNC Outlet may offer products that have names proprietary to us, but they will not offer GNC Brand Supplements. However, if an existing Non-GNC Outlet owned by us or our affiliates is already open and operating before you open your Store(s), the Non-GNC Outlet may offer GNC Brand Supplements. We may share corporate and field support personnel with the Non-GNC Outlets and conduct training for the Non-GNC Outlets at the same facility in Pittsburgh, Pennsylvania or at separate facilities. We do not currently anticipate any conflict between the systems for our support, customers, or territory. We are not required to pay you any compensation for soliciting or accepting orders from inside your Protected Territory or Development Area.

### ITEM 13

#### TRADEMARKS

##### PRINCIPAL REGISTERED TRADEMARKS

The Franchise Agreement grants you a license to use our principal trademarks and service marks described in the chart below.

| MARK                                     | REGISTRATION NO. | REGISTRATION DATE | RENEWAL DATE(S)  |
|--|------------------|-------------------|--|
| GNC GENERAL NUTRITION CENTERS (stylized) | 1,786,007        | August 3, 1993    | December 3, 2003<br>October 5, 2012<br><a href="#">November 13, 2023</a> |
| GNC GENERAL NUTRITION CENTERS            | 4,065,938        | December 6, 2011  | March 14, 2022   |
| GNC                                      | 3,429,065        | May 20, 2008      | May 24, 2018   |
| GNC LIVE WELL                            | 3,438,650        | June 3, 2008      | April 30, 2018   |
| GNC                                      | 2,180,647        | August 11, 1998   | June 28, 2008<br>July 20, 2018   |
| GNC LIVE WELL                            | 2,187,956        | September 8, 1998 | September 2, 2008<br>July 19, 2018                                       |

All of the listed marks appear on the Principal Register of the United States Patent and Trademark Office. We have filed, or intend to file when due, an affidavit of use and an affidavit of incontestability for each of the listed marks. We have renewed each of the marks as indicated in the chart above. We have not registered any of our service marks with any state.

##### MATERIAL DETERMINATIONS

There are no currently effective determinations of the United States Patent and Trademark Office, the Trademark Trial and Appeal Board, any state trademark administrator, or any court. Nor are there any pending infringement, opposition, or cancellation proceedings, or any pending material litigation involving

the trademarks, service marks, trade names, logotypes or other commercial symbols which are relevant to their use in this state or any other state in which you may locate the franchised business.

#### **AGREEMENTS LIMITING OUR USE**

There are no currently effective agreements that significantly limit our rights to use or license others to use the Proprietary Marks listed in this Item 13 in a manner material to the franchise.

The right and franchise of the Proprietary Marks granted under the Franchise Agreement to you is non-exclusive. Therefore, we and our affiliates may:

1. Grant other licenses for the Proprietary Marks;
2. Use the Proprietary Marks to sell products and services; and
3. Develop, establish, and franchise other systems or other products for the same or similar Proprietary Marks, or any other Proprietary Marks, and grant licenses or franchises without providing you with any rights in those licenses or franchises.

We reserve the right to substitute different Proprietary Marks to identify the System and the businesses operating under the System. The Franchise Agreement requires you to comply with any of our requirements regarding the substitution of different Proprietary Marks. However, we will reimburse you for all your reasonable costs in substituting different Proprietary Marks, unless the substitution coincides with your required remodeling of the Store.

#### **PROTECTION OF RIGHTS**

We are not obligated by the Franchise Agreement, or otherwise, to protect any rights which we have granted you to use the Proprietary Marks or to protect you against claims of infringement or unfair competition which are based on use of the Proprietary Marks.

If litigation involving the Proprietary Marks is instituted or threatened against you, you must promptly notify us and cooperate fully in defending or settling the litigation. You may not make any demand or institute any legal action or negotiate, compromise or settle any controversy involving the Proprietary Marks without our prior written consent. We have the exclusive right to institute, negotiate, compromise, settle, dismiss, appeal or otherwise handle any such action involving the Proprietary Marks and take such steps as we may deem advisable to prevent any such action, and to join you as a party to any such action. We are not obligated to seek recovery of costs or damages of any kind in any such action, and the assertion or waiver of any claims will be within our sole discretion. We will pay the costs of any such action, and any recovery will be paid to us. We reserve any rights we may have to seek indemnification from you in any appropriate case. The Franchise Agreement does not otherwise require us to participate in your defense and/or indemnify you for expenses or damages if you are a party to an administrative or judicial proceeding involving the Proprietary Marks, or if the proceeding is resolved unfavorably to you.

The Franchise Agreement requires that you execute all documents that we or our counsel believe are necessary to obtain protection for the Proprietary Marks or to maintain their continued validity and enforceability.

## **SUPERIOR PRIOR RIGHTS AND/OR INFRINGING USES**

To the best of our knowledge, there are no superior prior rights or infringing uses that could materially affect your use of the Proprietary Marks in your state or elsewhere.

The Franchise Agreement provides that we will consider any use of the Proprietary Marks not authorized by its terms an infringement. You are prohibited from using the Proprietary Marks as part of your corporate or other legal name without our prior written consent or in a way that is inconsistent with our System.

## **ITEM 14**

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

#### **PATENTS AND COPYRIGHTS**

We do not own any right in any patents or registered copyrights that are material to the franchise.

#### **CONFIDENTIAL INFORMATION**

You must not, during the term of the Franchise Agreement or Development Agreement or after the expiration of the Franchise Agreement or Development Agreement, communicate, divulge, or use for the benefit of any other person, persons, partnerships, associations, or corporation any confidential information, trade secrets, knowledge, or know-how about the methods of operation of the franchised business which we may communicate to you, or of which you may be apprised, because you operate under the terms of the Franchise Agreement or Development Agreement. You may divulge this confidential information only to your employees who must have access to it in order to operate the franchised business and have signed our required confidentiality agreement. Any information, knowledge, know-how or techniques, including drawings, materials, equipment, formulas, specifications, techniques, and other data and any information, knowledge or know-how which you derive by analysis of these items, is deemed confidential for purposes of the Franchise Agreement and Development Agreement, except information which you can demonstrate came to your attention before our disclosure on a non-confidential basis; or which was publicly known by publication or communication by others, at the time of our disclosure or thereafter through no breach of the Franchise Agreement or Development Agreement.

You must sign ~~and you must require your manager(s) and personnel who have access to any of our confidential information to sign~~ covenants, on our approved form, which provide that you ~~and they~~ will maintain the confidentiality of information ~~they receive~~received in connection with the operation of the franchised business ~~and, with respect to your employees, their employment by you at the Store~~. Our form will also specifically identify us and deem us a third-party beneficiary of these covenants with the independent right to enforce them.

#### **CONFIDENTIAL MANUALS**

You must conduct your business according to the Manuals, and any other written directives that we may issue to you (whether or not such directives are included in the Manuals). Periodically, our field representatives, or a third party that we hire, will review your Store to see whether your operations comply with the Manuals or other written directives. If your Store does not comply with the policies, standards, and procedures required to be complied with by the Manuals or our other written directives, you may lose your franchise rights.

The Manuals, any written directives, and/or any other materials we issue or any modifications to these materials are an extension of and will supplement your Franchise Agreement. You will receive electronic access to the Manuals from us during the training program that is required under the Franchise Agreement. The Manuals are a compilation of current operating policies, standards, and procedures for the operation of your GNC Store. You must at all times operate your Store in accordance with the Manuals, any other Manuals that we create for or approve for use in operating the franchised business, and treat all such information they contain as secret and confidential. You must not at any time copy, duplicate, record, or reproduce these materials or make them available to any unauthorized person.

The Manuals will at all times remain our property. We may revise the contents of the Manuals from time to time, and you must operate the franchise in accordance with each new or changed policy, standard and procedure. If there arises any dispute concerning the contents of the Manuals, the terms of the master copy of the Manuals that we maintain at our home office will control.

## ITEM 15

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

We encourage you to participate personally in the on-premises supervision of the GNC Store. While we do not require you personally to participate in the direct supervision of the GNC Store, we do require either you or your designated manager to directly supervise the GNC Store on its premises and to devote full-time, energy and best efforts to managing the Store.

We do not control who you may hire as manager, nor does the Franchise Agreement require that you tell us who manages the Store. However, the training program provisions require that you notify us if you change managers, and we retain the right to require any Store manager to attend and successfully complete our training programs at any time during the term of the franchise under the same terms as described in Item 11. If a corporation, partnership or other organization owns the franchise, the manager need not have an ownership interest in the franchise. The manager may be required to sign a written agreement to maintain the confidentiality of the trade secrets and confidential information described in Item 14 ~~and to conform with the covenants not to compete described in Item 17.~~

We require each individual who owns an interest in the franchise and their spouse to personally guarantee the franchisee's obligations to us under the Franchise Agreement and the Development Agreement. The guarantees will be in the form of the Guarantee attached to the Franchise Agreement as Attachment E and the Guaranty Agreement attached to the Development Agreement as Exhibit C.

## ITEM 16

### RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You may sell only products and services which we have approved and which conform with our standards and specifications. You must offer GNC Brand Supplements and other products for sale as described in Item 8. We may also require you to offer products jointly developed by us or our affiliates at some time in the future. We retain the right to change the types of authorized goods and services you may offer at any time. There are no limits on this right. Any products you sell must conform to our standards and specifications, be approved by us and fall within one of the following categories: vitamins, beauty products, health foods, diet products, physical fitness products, smoothies, health management products and services, and other categories of goods and services as we may periodically add to the System. We may disapprove of any supplier or product for any reason or no reason, even if they meet our standards.

We do not designate or restrict the customers to whom you may sell goods and services. However, your customers must purchase or receive products or services only at the Approved Location. Furthermore, you must not operate a telemarketing, Internet, mail order, direct mail, catalog, wholesaling, direct sales, export or similar business which permits customers to purchase and receive products or services without being present at the Approved Location. We do not restrict the goods and services you can offer for sale on the basis of your failing to meet certain defined sales results. You generally will have sole discretion to determine the prices you will charge to customers for the goods and services; provided that, to the fullest extent allowed by law, we will have the right to establish minimum and/or maximum prices for any product or service which you offer.

**ITEM 17**

**RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION**

**THE FRANCHISE RELATIONSHIP**

**These tables list certain important provisions of the Franchise Agreement and related agreements and of the Development Agreement. You should read these provisions in the agreements attached to this disclosure document.**

**Franchise Agreement**

| <b>Provision</b>                    | <b>Section in Franchise Agreement or other agreement</b>  | <b>Summary of Franchise Agreement section(s)</b>   |
|-------------------------------------|---|--|
| a. Length of the franchise term     | Selected Term Summary, “Franchise Term” and Section 3 of the Franchise Agreement<br><br><a href="#">Section 1 of the Sublease</a> | Term commences on the Store opening date (which is the earlier of the date that the Store opens for business or the rent commencement date of the lease for the Store) and ends on the 5th anniversary of the Store opening date. If you are leasing your location, and the remaining term of the lease is shorter than the 5-year term of your Franchise Agreement, then we may, in our sole discretion, adjust the term of your Franchise Agreement to match the term of your lease. |
| b. Renewal or extension of the term | Section 19 of the Franchise Agreement<br><br><a href="#">Section 1 and Section 4, paragraph 2 of the Sublease</a>                 | The franchise agreement does not automatically renew upon expiration of the term. If you meet the requirements in (c) below, you may renew your franchise for additional consecutive 5-year terms. If you are leasing your location, and the remaining term of the lease is shorter than the 5-year term of your renewal Franchise Agreement, then we may, in our sole discretion, adjust the term of your Franchise Agreement to match the term of your lease.                        |

| Provision   | Section in Franchise Agreement or other agreement   | Summary of Franchise Agreement section(s)  |
|---|---|--|
| c. Requirements for franchisee to renew or extend | Section 19 of the Franchise Agreement<br><a href="#">Section 1 and Section 4, paragraph 2 of the Sublease</a> | Give proper notice and obtain our approval; remodel the Store, if required; not be in default under the Franchise Agreement or any Related Agreements, and you shall have maintained compliance with System standards and sustained compliance with the terms of the Franchise Agreement over its term; you shall have satisfied all monetary obligations owed to us and our affiliates, as well as to lessors, sublessors, vendors and suppliers of the Store, and shall have timely met such obligations throughout the term of the Franchise Agreement; present satisfactory evidence that you have the right to remain in possession of the Store premises for the duration of the renewal term, and we shall have approved the continued operation of the franchise at the premises; execute then-current form of the Franchise Agreement; pay renewal fee on or before expiration date of then-current term; sign general release; comply with Franchisor’s then-current qualification and training requirements for renewal franchisees; your Gross Sales during the franchise term have enabled you to cover all costs of operating the franchised business; and have a sound credit rating with all trade purveyors and service agencies and sufficient financial resources to continue to operate the franchised business in accordance with the requirements of the then-current form of Franchise Agreement. You may be asked to sign a new Franchise Agreement with materially different terms and conditions than your original Franchise Agreement. |
| d. Termination by franchisee                      | Section 20.D of the Franchise Agreement   | If we commit material breach of Franchise Agreement and do not cure or make diligent efforts to cure within 90 days written notice by you. If the breach is not curable within 90 days, we have an additional 60 days to cure if we are making diligent efforts to do so. Any provisions in the Franchise Agreement regarding termination by franchisee are subject to state law.  |
| e. Termination by franchisor without cause        | Not applicable  | None. Termination of your Development Agreement permits us to terminate your single unit Franchise Agreements, and vice versa.   |
| f. Termination by franchisor with cause           | Sections 20.A, B & C of the Franchise Agreement   | We can terminate only if you default or if certain events (described in (g) and (h) below) occur. In some instances, you will have an opportunity to cure the default. Termination of your Development Agreement   |

| Provision                           | Section in Franchise Agreement or other agreement  | Summary of Franchise Agreement section(s)  |
|-------------------------------------|--|--|
|                                     | Section 3 of the Product Sales Agreement<br>Section 8 of the P.O.S. License Agreement<br><a href="#">Section 1 and Section 14 of the Sublease</a>                              | permits us to terminate your single unit Franchise Agreements, and vice versa.   |
| g. "Cause" defined-curable defaults | Section 20.C of the Franchise Agreement<br>Section 3 of the Product Sales Agreement<br>Section 8 of the P.O.S. License Agreement<br><a href="#">Section 14 of the Sublease</a> | Failure to comply with our standards and procedures or any term of the Franchise Agreement not covered by "h" below. You have 30 days (or 5 days in the event you fail to pay any amounts due us by their due date) after we give you written notice to cure the default. Termination of your Development Agreement permits us to terminate your single unit Franchise Agreements, and vice versa. |

| Provision | Section in Franchise Agreement or other agreement | Summary of Franchise Agreement section(s) |
|-----------|---|---|
|           |   |   |

| Provision                                | Section in Franchise Agreement or other agreement   | Summary of Franchise Agreement section(s)   |
|--|---|---|
| h. "Cause" defined- non-curable defaults | Section 20.A and Section 20.B of the Franchise Agreement<br>Section 3 of the Product Sales Agreement<br>Section 8 of the P.O.S. License Agreement<br><a href="#">Section 14 of the Sublease</a> | <p>Bankruptcy; insolvency; assignment for the benefit of creditors; appointment of a receiver; final judgment against you remains unsatisfied or of record for 30 days or longer; execution of levy against your business or property; foreclosure suit is filed against Store premises or equipment and is not dismissed within 30 days; dissolution; failure to comply with pre-opening obligations or you fail to open the Store for business on or prior to the end of the Pre-Opening Period; failure to procure or maintain required insurance; abandonment of the business; relocation without our approval; loss of possession of Store premises; conviction of a felony or crime involving moral turpitude; unauthorized transfer; failure to comply with non-competition and confidentiality covenants; making of material misrepresentations; engaging in fraudulent conduct; deny us immediate access to Store or books or records for audit or inspection; failure to immediately initiate cure of a curable default; curable default occurs more than once; default under Franchise Agreement or any related agreement and failure to cure such default if curable; engaging in illegal activities; assaulting or threatening health or safety of others; engaging in repeated or pattern of abusive behavior against others; selling banned products; failure to comply with applicable laws; engaging in conduct that creates material risk of danger to health or safety; conduct that is injurious to the goodwill associated with Proprietary Marks; receipt of 3 or more default notices within 12-month period; wholesaling or conduct of wholesaling business; your designation as a Specially Designated National or Blocked Person.</p> <p>Termination of your Development Agreement permits us to terminate your single unit Franchise Agreements, and vice versa.</p> |

| Provision  | Section in Franchise Agreement or other agreement  | Summary of Franchise Agreement section(s)   |
|--|--|---|
| i. Franchisee’s obligations on termination/non-renewal | Section 21 of the Franchise Agreement<br>Section 4 of the Product Sales Agreement<br>Section 9 of the P.O.S. License Agreement<br><a href="#">Section 14 of the Sublease</a> | Pay liquidated damages; cease operation; complete de-identification; pay all sums due; at our option, surrender of physical possession of Store; return our confidential/proprietary information, including Manuals and POS program and documentation; at our option, sell to us all of your inventory and all of your equipment, fixtures and signs at depreciated value; at our option, sell to us the Store premises if you own the premises; comply with non-competition and confidentiality covenants.<br><br><b><u>Cross-Termination of Agreements:</u></b> If we terminate you because of your default, we may, at our option, immediately terminate, upon notice and without opportunity to cure, all other agreements between (i) us (or our affiliates), and (ii) you or your affiliates or any entity in which you or any principal, manager, partner or joint venture of you (if the franchisee is an entity), directly or indirectly, has any interest of ownership or participation. This could include other franchise agreements you or your principals have with us. If the franchise agreement expires (and is not renewed), we may terminate any other agreements relating to your franchised Store. |
| j. Assignment of contract by franchisor                | Section 18.A of the Franchise Agreement<br>Section 12 of the Asset Purchase and Sale Agreement   | No restriction on our right to assign.  |

| Provision  | Section in Franchise Agreement or other agreement  | Summary of Franchise Agreement section(s)   |
|--|--|---|
| k. "Transfer" by franchisee-defined              | Section 18.B(i) of the Franchise Agreement<br>Section 14 of the P.O.S. License Agreement<br>Section 12 of the Asset Purchase and Sale Agreement<br><br><a href="#">Section 4, paragraph 1 and Section 17 of the Sublease</a> | Includes transfer of Franchise Agreement, any interest in Franchise Agreement, any interest in the franchised business, or any equity interest in you if you are an entity or any equity interest in any owners of you if they are an entity. |
| l. Franchisor approval of transfer by franchisee | Section 18.B of the Franchise Agreement  | All transfers are subject to our prior approval.  |

| Provision   | Section in Franchise Agreement or other agreement        | Summary of Franchise Agreement section(s)   |
|---|--|---|
| m. Conditions for franchisor approval of transfer                       | Section 18.B(ii) of the Franchise Agreement              | Transferee qualifies; you are not in default under the Franchise Agreement or any related agreement; you pay all sums due and owing in immediately available funds; transferee completes training and does not have an interest in a competitive business; transferee enters into a written assignment assuming your obligations under the Franchise Agreement and if transferee is an entity, it guarantees those obligations; if you are not in compliance with our policies, standards or procedures, transferee agrees to achieve compliance within a reasonable period of time; at our option, transferee executes the then-current form of Franchise Agreement; transferee executes related agreements required by us; transferee, at its expense, upgrades the Store to conform to then-current standards and specifications; you remain liable for all obligations of the franchise prior to date of transfer; pay transfer fee; sign general release (if not prohibited by applicable state law); you have offered to sell the interest to us pursuant to our right of first refusal, and we have declined; terms and conditions of proposed transfer are satisfactory to us; an escrow company is used to complete the transaction; provided if (i) the transfer is of less than a 50% ownership interest in franchisee or (ii) the transfer is to an immediate family member or to an entity owned by, or under the same ownership as, the franchise, you will not first be required to offer to sell the ownership interest to us, and the franchise term will be equal to your then remaining franchise term under your franchise agreement. |
| n. Franchisor's right of first refusal to acquire franchisee's business | Section 18.C of the Franchise Agreement                  | We can match any offer for the transfer of your business or any controlling ownership interest.   |
| o. Franchisor's option to purchase franchisee's business                | Section 18.C and Section 21.I of the Franchise Agreement | We have an option to purchase your business only upon transfer by you of your business or a controlling ownership interest or termination.  |
| p. Death or disability of franchisee                                    | Section 18.D of the Franchise Agreement                  | Transfer to approved buyer must occur within 6 months after death or disability.  |

| Provision   | Section in Franchise Agreement or other agreement   | Summary of Franchise Agreement section(s)  |
|---|---|--|
| q. Non-competition covenants during the term of the franchise             | Section 22.A of the Franchise Agreement and Section 3 of Attachment B, "Personal Covenants"   | You may not be involved in a competing business. These provisions are subject to state law.  |
| r. Non-competition covenants after the franchise is terminated or expires | Section 22.B of the Franchise Agreement and Section 3 of Attachment B, "Personal Covenants"   | You must not be involved in a competing business located within 5 miles of the Approved Location, any GNC Store or General Nutrition Center, or any other retail outlet owned by us or our affiliates, or be involved in any competing business that operates via the Internet or World Wide Web or any other electronic platform, <del>or employ or seek to employ or induce to leave their employment any of our employees or employees of our affiliates or other franchisees for 1 year.</del> <u>for 1 year.</u> These provisions are subject to state law. |
| s. Modification of the agreement  | Section 15 and Section 31 of the Franchise Agreement<br><br>Section 16 of the P.O.S. License Agreement<br><br>Section 5 of the Guarantee<br><br><a href="#">Section 12, Section 20 and Section 21 of the Sublease</a> | Generally, no modifications unless agreed to by both parties in writing. We may revise the Manuals and you must comply with each requirement.  |
| t. Integration/merger clause  | Section 31 of the Franchise Agreement<br><br>Section 23 of the P.O.S. License Agreement<br><br>Section 13.4.1 of the Asset Purchase and Sale Agreement<br><br>Section 5 of the Guarantee                              | Only the terms of the Franchise Agreement and related agreements are binding or enforceable (subject to applicable federal and state law). Any other promises, if any, may not be enforceable. Nothing in the Franchise Agreement or any related agreement, however, is intended to disclaim the representations made in the Franchise Disclosure Document furnished to you.   |

| Provision   | Section in Franchise Agreement or other agreement  | Summary of Franchise Agreement section(s)   |
|---|--|---|
|   | <a href="#">Section 20 of the Sublease</a>   |   |
| u. Dispute resolution by arbitration or mediation | Section 29 of the Franchise Agreement  | Subject to applicable state law, arbitration of disputes required except as otherwise provided under Section 29.C.                    |
| v. Choice of forum                                | Section 29.D of the Franchise Agreement<br>Section 7 of the Product Sales Agreement<br>Section 17 of the P.O.S. License Agreement<br>Section 13.3 of the Asset Purchase and Sale Agreement<br>Section 8 of the Guarantee<br><a href="#">Section 16 of the Sublease</a> | Dispute resolution must be in Pennsylvania except where individual state laws supersede or where we bring an action in another state. |
| w. Choice of law                                  | Section 29.A of the Franchise Agreement<br>Section 6 of the Product Sales Agreement<br>Section 16 of the P.O.S. License Agreement<br>Section 13.3 of the Asset Purchase and Sale Agreement<br>Section 7 of the Guarantee   | Pennsylvania law applies except where individual state laws supersede.  |

| Provision             | Section in Franchise Agreement or other agreement | Summary of Franchise Agreement section(s)   |
|-----------------------|---|---|
| x. Liquidated Damages | Section 21.A. of the Franchise Agreement          | Upon termination of the Franchise Agreement due to your breach, you must pay us, in addition to other amounts owed, liquidated damages in an amount equal to (i) the greater of (a) the average monthly amount of Royalty Fees payable by you to us for the two (2) years immediately preceding the date of termination or (b) the average monthly amount of Royalty Fees payable by you to us for the twelve (12-) month period immediately preceding the date of termination, however, if the Store has not been open for at least twelve (12) months, the average monthly amount of Royalty Fees payable by you to us for the months in which the Store has been open; then (ii) multiplied by the number of months remaining in the then-current term of the Franchise Agreement. |

**Development Agreement**

| <b>Provision</b>                                  | <b>Section in Development Agreement</b> | <b>Summary of Development Agreement section(s)</b>   |
|---|---|--|
| a. Length of the franchise term                   | Section 3                               | The term expires on the earlier of (i) the date on which Developer has completed its development obligations under Development Agreement; or (ii) the last day specified in the Development Schedule.  |
| b. Renewal or extension of the term               | Not applicable                          | None.  |
| c. Requirements for franchisee to renew or extend | Not applicable                          | None.  |
| d. Termination by franchisee                      | Not applicable                          | None. Any provisions in the Development Agreement regarding termination by franchisee are subject to state law.  |
| e. Termination by franchisor without cause        | Not applicable                          | None. Termination of the Development Agreement permits us to terminate your single unit Franchise Agreements, and vice versa.  |
| f. Termination by franchisor with cause           | Section 12                              | We can terminate the Development Agreement only if you default or if certain events (described in (g) and (h) below) occur. In some instances, you will have an opportunity to cure the default. Termination of the Development Agreement permits us to terminate your single unit Franchise Agreements, and vice versa. |

| Provision                           | Section in Development Agreement | Summary of Development Agreement section(s)   |
|-------------------------------------|----------------------------------|---|
| g. "Cause" defined-curable defaults | Section 12.3                     | <p>If you fail to pay the Development Fee or any other payments when due, you may cure the default within 5 days' written notice. If you fail to pay when due any amount owed to any creditor, supplier or lessor or any taxing authority for federal, state or local taxes (other than amounts being bona fide disputed through appropriate proceedings), you may correct the failure within 10 calendar days after written notice. If you fail to comply with any term of the Development Agreement not covered by "h" below, you have 15 days after we give you written notice to cure the default.</p> <p>Termination of the Development Agreement permits us to terminate your single unit Franchise Agreements, and vice versa.</p> |

| Provision                                | Section in Development Agreement | Summary of Development Agreement section(s)   |
|--|----------------------------------|---|
| h. "Cause" defined- non-curable defaults | Sections 12.2 and 12.3           | <p>Insolvency; failure to pay debts as they come due; general assignment for the benefit of creditors; bankruptcy; appointment of a receiver; proceedings instituted for a composition with creditors; a final judgment remains unsatisfied or of record for thirty (30) days or longer; execution is levied against your business or assets; suit to foreclose any lien or mortgage against your business or assets is instituted against you and not dismissed within 30 days; you fail to comply with the Development Schedule or fail to maintain in continuous operation the minimum cumulative number of GNC Stores required by the Development Schedule to be in operation; if failure to comply fully with the non-compete, non-solicitation or confidentiality provisions; if you make or attempt to make an unauthorized transfer; you, any principal or any guarantor is convicted of or pleads guilty or no contest to a felony, a crime involving moral turpitude, or any other crime or offense that we believe is reasonably likely to have an adverse effect on the GNC System, the GNC Proprietary Marks, the goodwill associated therewith, or our interest therein; you or any of your principals, employees, agents or representatives make or give, or have made or given, any material representation or any false, misleading, inaccurate or incomplete information; you or any of your employees, agents or representatives engage in fraudulent conduct, including knowingly maintaining false books or records or submitting or making any false reports or statements to us; you engage in illegal activities in connection with the operation of your business; you fail to comply with any federal, state or local law or regulation applicable to the operation of your business; you default under any Franchise Agreement or ancillary agreement or any other agreement between you and us and fail to cure the default within the applicable cure period, if any; you are dissolved; you receive at least 3 default notices within a 12 month period; designation as a Specially Designated National or Blocked Person.</p> <p>Termination of the Development Agreement permits us to terminate your single unit Franchise Agreements, and vice versa.</p> |

| Provision  | Section in Development Agreement | Summary of Development Agreement section(s)  |
|--|----------------------------------|--|
| i. Franchisee's obligations on termination/non-renewal | Sections 12.5 and 12.7           | <p>You will have no right to establish or operate a GNC Store for which a Franchise Agreement has not been executed by us and delivered to you at the time of termination.</p> <p>You must immediately cease to operate your business and may not directly or indirectly represent to the public or hold yourself out as a present or former developer of us; immediately cease to use in any manner any confidential information and Proprietary Marks; promptly pay all sums owing to us and our affiliates; promptly pay to us all damages, costs and expenses, including reasonable attorneys' fees and court costs, incurred by us in connection with the termination of the development agreement; and turn over to us all manuals, records, files, instructions, correspondence and all other materials relating to the operation of your business.</p> <p>You must strictly comply with the post-termination/post-expiration covenant not to compete and non-solicitation covenant in the development agreement and continue to abide by the restrictions pertaining to the use of our confidential information.</p> <p><b><u>Cross Termination of Agreements.</u></b> If we terminate you because of your default, we may, at our option, immediately terminate upon written notice, all other agreements between (i) us (or our affiliates) and (ii) you, your affiliates or principals or any entity in which you or any principal, manager, partner or joint venture of you, directly or indirectly, has any interest of ownership or participation. This could result in the termination of one or more other agreements that may or may not relate directly to your business. This could also result in the termination of one or more other development agreements or franchise agreements for other GNC Stores and any agreements related to those other GNC Stores, regardless of location.</p> |
| j. Assignment of contract by franchisor                | Section 11.1                     | No restriction on our right to assign.   |

| Provision   | Section in Development Agreement | Summary of Development Agreement section(s)  |
|---|----------------------------------|--|
| k. "Transfer" by franchisee-defined               | Section 11.2                     | Includes transfer of Development Agreement, any interest in Development Agreement, or any transfer of an equity interest in you if you are an entity or an equity interest in any owners of you if they are an entity.   |
| l. Franchisor approval of transfer by franchisee  | Section 11.2                     | All transfers require our prior written approval.  |
| m. Conditions for franchisor approval of transfer | Section 11.3                     | <p>We may require, in our sole discretion, as a condition of our approval of any transfer:</p> <p>satisfaction of all of your accrued monetary obligations to us or any affiliate; that there is no default of any provisions of the development agreement or any other agreement with us, including any Franchise Agreements; execution of a general release; that the transferee enter into a written agreement assuming all of your obligations under the development agreement, and that the transferee's principals must guarantee the performance of those obligations; that the transferee demonstrate to our satisfaction that it meets our managerial and business standards, possesses a good moral character and business experience, and has adequate financial resources and capital; at our option, that the transferee executes the then-current standard form of Development Agreement, for a term ending on, at our discretion, either (i) the expiration date of this agreement; or (ii) a mutually-agreed upon expiration date, and all other ancillary agreements we may require; that you and each guarantor remain liable for all obligations of your business prior to the effective date of the transfer; that you transfer all of your rights in each Franchise Agreement and GNC Store operating pursuant to the development agreement to the transferee; that you pay a transfer fee in the amount of \$10,000, or such greater amount as is necessary to reimburse us for our reasonable costs and expenses associated with reviewing and approving the transfer; that the terms and conditions of the proposed transfer are satisfactory to us; that neither the transferee nor any of its affiliates or principals are associated with or own a direct or indirect interest in a competitive business.</p> |

| Provision   | Section in Development Agreement | Summary of Development Agreement section(s)   |
|---|----------------------------------|---|
| n. Franchisor's right of first refusal to acquire franchisee's business   | Section 14.1                     | We can match any offer for the transfer of your business or any controlling ownership interest.   |
| o. Franchisor's option to purchase franchisee's business                  | Not applicable                   | None.   |
| p. Death or disability of franchisee                                      | Section 11.5                     | You must immediately notify us upon the death or disability of any person with an interest in the development agreement or you. We may immediately enter upon the premises of the business, and install a manager to manage and operate the business for such time as we deem necessary, or until an approved transfer occurs. We are entitled to reasonable compensation and expenses incurred during this period. Your interest must be transferred to an approved buyer within 6 months after death or disability or we may terminate the Development Agreement. |
| q. Non-competition covenants during the term of the franchise             | Sections 13.1 and 13.2           | No involvement in a competing business. These provisions are subject to state law.  |
| r. Non-competition covenants after the franchise is terminated or expires | Section 13.1 and 13.2            | For one year, no involvement in a competing business located within 5 miles of any GNC Store, <del>and no solicitation of our employees or employees of other GNC franchisees.</del> These provisions are subject to state law.   |
| s. Modification of the agreement  | Section 27                       | No modifications unless agreed to by all parties in writing.  |
| t. Integration/merger clause  | Section 27                       | Only the terms of the Development Agreement are binding or enforceable (subject to applicable federal and state law). Any other promises, if any, may not be enforceable. Nothing in the Development Agreement, however, is intended to disclaim the representations made in the Franchise Disclosure Document furnished to you.  |
| u. Dispute resolution by arbitration or mediation                         | Section 20                       | Subject to applicable state law, arbitration of disputes required except as otherwise provided under Section 20.  |

| Provision          | Section in Development Agreement | Summary of Development Agreement section(s)   |
|--------------------|----------------------------------|---|
| v. Choice of forum | Section 20                       | Dispute resolution must be in Pittsburgh, Pennsylvania except where individual state laws supersede or where we bring an action in another state. |
| w. Choice of law   | Section 20                       | Pennsylvania law applies except where individual state laws supersede.  |

**ITEM 18**

**PUBLIC FIGURES**

We have neither given nor promised compensation or other benefit to any public figure in connection with the use of the public figure in the franchise name or symbol or the public figure’s endorsement or recommendation of the franchise to prospective franchisees.

## ITEM 19

### FINANCIAL PERFORMANCE REPRESENTATIONS

The FTC's Franchise Rule permits a franchisor to disclose information about the actual or potential financial performance of its franchised and/or company operated outlets, if there is a reasonable basis for the information, and the information is included in the disclosure document. Financial performance information that differs from the information 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 performance at a particular location or under particular circumstances.

Before reviewing this Item 19, we want to call your attention to these important points:

1. **Some outlets have earned this amount. Your individual results may differ. There is no assurance that you will earn as much.**
2. We will make written substantiation for the financial performance representations in this Item 19 available to prospective franchisees upon reasonable request.
3. "Gross sales" means the gross receipts from the sale of all products and services sold in, on, about or from the franchised Store, together with any other revenues derived from the operation of the Store, whether by the franchisee or by any other person, whether or not in accordance with the terms of the Franchise Agreement, and whether for cash or on a charge, credit, barter or time basis, and regardless of collection, including all payments to the franchisee under any business interruption insurance or similar insurance policy, gift certificates and other payments for the right to participate in special offers, and all such sales and services (i) where orders originate and/or are accepted by the franchisee in the Store but delivery or performance thereof is made from or at any place other than the Store or (ii) pursuant to telephone or other similar orders received or filled at or in the Store. Gross sales do not include the amount of refunds, allowances or discounts to customers (including coupon sales) in the normal course of business, provided the related sales have previously been included in gross sales and franchisee shall substantiate all such deductions in the manner specified in the Manuals, and the amount of any excise or sales tax levied upon retail sales and paid over to the appropriate governmental authority.

### BASIS OF FINANCIAL PERFORMANCE REPRESENTATIONS

The following table provides financial performance representations that are historical. They are based on information from existing franchised GNC Stores that were open for business to the public within the United States for at least one year during a one-year measuring period from January 1, ~~2023~~2022 through December 31, ~~2023~~2022. As of December 31, ~~2023~~2022, there were ~~774~~750 franchised GNC Stores that were open and operating in the United States. Of those ~~774~~750 franchised GNC Stores, ~~667~~737 of them operated continuously from January 1, ~~2023~~2022 through December 31, ~~2023~~2022, and we used the financial performance data from those ~~667~~737 franchised Stores for that period in arriving at the financial performance representations in the table. The financial performance representations do not include information for franchisees that were terminated, reacquired, not renewed or left our system for other reasons during the ~~2023~~2022 calendar year.

The figures in the table show the average and median gross sales for those Stores. We also show the percentage of locations that actually attained or surpassed the stated average, and the high and low gross sales numbers in the range used to determine the average and median gross sales.

**FRANCHISED STORES AVERAGE GROSS SALES  
FOR THE ONE-YEAR PERIOD  
FROM JANUARY 1, ~~2023~~2022 TO DECEMBER 31, ~~2023~~2022**

| Average Gross Sales                          | Total # of Stores            | # and % of Stores at or Above Average Gross Sales | Median Gross Sales                           | High   | Low                                     |
|--|------------------------------|---|--|--|---|
| <del>\$575,948.935</del><br><u>37,026.47</u> | <del>767</del><br><u>737</u> | <del>332 (43307 (42%))</del>                      | <del>\$540,318.595</del><br><u>04,269.27</u> | <del>\$3,464,993.05</del><br><u>\$2,921,072.28</u> | <del>\$90,828.244</del><br><u>40.57</u> |

~~Seventeen (17)~~Thirty-six (36) franchised Stores closed during the one-year measuring period from January 1, ~~2023~~2022 to December 31, ~~2023~~2022, and none of these Stores were open for less than 12 months prior to closing.

~~Seven (7)~~Six (6) franchisees moved their Stores to new locations during the one-year period from January 1, ~~2023~~2022 to December 31, ~~2023~~2022. The operations of ~~three (3)~~five (5) of those relocated Stores were not interrupted because of the relocation, and their financial performance data is used in arriving at the above financial performance representations. The operations of ~~four (4)~~one (1) of the relocated Stores were interrupted for a period of time due to the relocation, and we did not use ~~theirs~~ financial performance data in arriving at the above financial performance representations.

The average gross retail sales described in this Item 19 do not include average costs and expenses necessary to operate a GNC Store. We strongly recommend that you make your own independent investigation of whether or not the franchise may be “profitable,” and confer with your attorney, accountant, or other business advisor before executing any agreement with us. You should conduct an independent investigation of the sales, costs and expenses you will incur in operating your franchised business.

The financial performance representations contained in this Item 19 are based upon information submitted by our franchisees. This information has not been separately audited or verified by an independent certified public accountant, and it may not have been prepared on a basis consistent with Generally Accepted Accounting Principles. We have assumed that the franchisees’ information is accurate, complete, and contains no material misrepresentations or omissions.

Other than the preceding financial performance representations, we do not make any financial performance representations. We do not make any representations about a franchisee’s future financial performance. 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 Sharon Knox, GNC Holdings, LLC, 75 Hopper Place, Suite 501, Pittsburgh, Pennsylvania 15222, (412) 288-4600, the Federal Trade Commission, and the appropriate state regulatory agencies.

**ITEM 20**

**OUTLETS AND FRANCHISEE INFORMATION**

Data for the tables below is for the periods: ~~2020: 1-1-2020 through 12-31-2020~~  
~~2021: 1-1-2021 through 12-31-2021~~  
~~2022: 1-1-2022 through 12-31-2022~~

**ITEM 20 TABLE NO. 1**  
**Systemwide Outlet Summary**~~(1)~~  
For Years ~~2020~~2021 to ~~2023~~2022

| (Column 1)<br>Outlet Type | (Column 2)<br>Year          | (Column 3)<br>Outlets at the Start of<br>the Year | (Column 4)<br>Outlets at the End<br>of the Year | (Column 5)<br>Net Change     |
|---------------------------|-----------------------------|---|---|------------------------------|
| <b>Franchised</b>         | <del>2020</del> <u>2021</u> | <del>956</del> <u>786</u>                         | <del>786</del> <u>789</u>                       | <del>-170</del> <u>+3</u>    |
|                           | <del>2021</del> <u>2022</u> | <del>786</del> <u>789</u>                         | <del>789</del> <u>774</u>                       | <del>+3</del> <u>-15</u>     |
|                           | <del>2022</del> <u>2023</u> | <del>789</del> <u>774</u>                         | <del>774</del> <u>750</u>                       | <del>-15</del> <u>-24</u>    |
| <b>Company-Owned*</b>     | <del>2020</del> <u>2021</u> | <del>2,727</del> <u>1,592</u>                     | <del>1,592</del> <u>554</u>                     | <del>-1,135</del> <u>-38</u> |
|                           | <del>2022</del> <u>2021</u> | <del>1,592</del> <u>554</u>                       | <del>1,554</del> <u>526</u>                     | <del>-38</del> <u>-28</u>    |
|                           | <del>2022</del> <u>2023</u> | <del>1,554</del> <u>526</u>                       | <del>1,526</del> <u>555</u>                     | <del>-28</del> <u>+29</u>    |
| <b>Total Outlets</b>      | <del>2020</del> <u>2021</u> | <del>3,683</del> <u>2,378</u>                     | <del>2,378</del> <u>343</u>                     | <del>-1,305</del> <u>-35</u> |
|                           | <del>2022</del> <u>2021</u> | <del>2,378</del> <u>343</u>                       | <del>2,343</del> <u>300</u>                     | <del>-35</del> <u>-43</u>    |
|                           | <del>2022</del> <u>2023</u> | <del>2,343</del> <u>300</u>                       | <del>2,300</del> <u>305</u>                     | <del>-43</del> <u>+5</u>     |

\*includes Puerto Rico (20 stores)

**Notes to Table No. 1:**

On October 7, 2020, we acquired all of the then-existing franchise agreements (792 total) and company-owned outlets (1,592 total) of our predecessor, General Nutrition Corporation, out of bankruptcy, pursuant to the sales transaction described in Item 4 of this disclosure document. Prior to October 7, 2020, our predecessor, General Nutrition Corporation, was the franchisor and the owner of all of the company owned outlets. See Item 4 of this disclosure document for more information regarding our predecessor's bankruptcy filing and proceedings.

**ITEM 20 TABLE NO. 2**  
**Transfers of Outlets From Franchisees to New Owners**  
**(Other than the Franchisor) ~~(1)~~**  
**For Years ~~2020~~2021 to ~~2023~~2022**

| (Column 1)<br>State | (Column 2)<br>Year   | (Column 3)<br>Number of Transfers |
|---------------------|----------------------|-----------------------------------|
| California          | <del>2021</del> 2020 | 2                                 |
|                     | <del>2021</del>      | <u>2</u>                          |
|                     | 2022                 | 3                                 |
| Florida             | <del>2020</del> 2023 | <u>12</u>                         |
|                     | <del>2021</del>      | 0                                 |
|                     | 2022                 | 0                                 |
| Georgia             | <del>2021</del> 2020 | <u>01</u>                         |
|                     | <del>2021</del>      | 1                                 |
|                     | 2022                 | 0                                 |
|                     | 2023                 | 0                                 |
| Illinois            | <del>2021</del> 2020 | 0                                 |
|                     | <del>2021</del>      | 0                                 |
|                     | 2022                 | 1                                 |
|                     | 2023                 | 0                                 |
| Indiana             | <del>2021</del> 2020 | <u>01</u>                         |
|                     | <del>2021</del>      | 1                                 |
|                     | 2022                 | 2                                 |
|                     | 2023                 | 0                                 |
| Kentucky            | <del>2021</del> 2020 | <u>01</u>                         |
|                     | <del>2021</del>      | 1                                 |
|                     | 2022                 | 3                                 |
|                     | 2023                 | 0                                 |
| Louisiana           | <del>2021</del> 2020 | <u>20</u>                         |
|                     | <del>2021</del>      | 0                                 |
|                     | 2022                 | 2                                 |
|                     | 2023                 | 0                                 |
| Minnesota           | <del>2021</del> 2020 | <u>10</u>                         |
|                     | <del>2021</del>      | 0                                 |
|                     | 2022                 | 0                                 |
| Mississippi         | <del>2020</del> 2023 | <u>14</u>                         |
|                     | <del>2021</del>      | 0                                 |
|                     | 2022                 | 0                                 |
| Missouri            | <del>2021</del> 2020 | <u>01</u>                         |
|                     | <del>2021</del>      | 1                                 |
|                     | 2022                 | 0                                 |
| New Jersey          | <del>2020</del>      | 1                                 |
|                     | <del>2023</del> 2021 | 0                                 |
|                     | 2022                 | 0                                 |
| New York            | <del>2021</del> 2020 | 1                                 |
|                     | <del>2021</del>      | 1                                 |
|                     | 2022                 | 0                                 |
|                     | 2023                 | 0                                 |
|                     | <del>2021</del> 2020 | <u>10</u>                         |

| (Column 1)<br>State | (Column 2)<br>Year              | (Column 3)<br>Number of Transfers |
|---------------------|---------------------------------|-----------------------------------|
| North Carolina      | <del>2021</del>                 | 0                                 |
|                     | 2022                            | 1                                 |
|                     | <u>2023</u>                     | <u>1</u>                          |
| Ohio                | <del>2021</del> <del>2020</del> | 0                                 |
|                     | <u>2022</u>                     | <u>3</u>                          |
|                     | <u>2023</u>                     | <u>1</u>                          |
| <u>Pennsylvania</u> | 2021                            | 0                                 |
|                     | 2022                            | <u>30</u>                         |
|                     | <u>2023</u>                     | <u>1</u>                          |
| Tennessee           | <del>2021</del> <del>2020</del> | 0                                 |
|                     | <del>2021</del>                 | 0                                 |
|                     | 2022                            | 1                                 |
|                     | <u>2023</u>                     | <u>0</u>                          |
| Texas               | <del>2021</del> <del>2020</del> | 0                                 |
|                     | <del>2021</del>                 | 0                                 |
|                     | 2022                            | 1                                 |
| <b>Total</b>        | <del>2020</del> <u>2023</u>     | <del>10</del> <u>2</u>            |
| <b>Total</b>        | 2021                            | 7                                 |
|                     | 2022                            | 17                                |
|                     | <u>2023</u>                     | <u>11</u>                         |

Notes to Table No. 2:

(1) All of the transfers reflected in this Table No. 2 for 2020 (except for the 2 transfers in Louisiana in 2020) occurred while our predecessor was the franchisor.

**ITEM 20 TABLE NO. 3**  
**Status of Franchised Outlets ~~(1)~~**  
**For Years ~~2020~~2021 to ~~2023~~2022**

| (Col. 1)<br>State       | (Col. 2)<br>Year                 | (Col. 3)<br>Outlets<br>at Start<br>of Year | (Col. 4)<br>Outlets<br>Opened | (Col. 5)<br>Terminations | (Col. 6)<br>Non-<br>Renewals | (Col. 7)<br>Reacquired<br>by<br>Franchisor | (Col. 8)<br>Ceased<br>Operations --<br>Other Reasons | (Col. 9)<br>Outlets at<br>End of<br>the Year |
|-------------------------|----------------------------------|--|-------------------------------|--------------------------|------------------------------|--|--|--|
| Alabama                 | <del>2021</del><br>20            | 14   | 0                             | 0                        | 0                            | 0  | 0  | 14   |
|                         | <del>2022</del><br><del>21</del> | 14   | 0                             | 0                        | 0                            | 0  | 0  | 14   |
|                         | <del>2022</del><br>23            | 14   | 0                             | 0                        | 0                            | 0  | 0  | 14   |
| Arizona                 | <del>2021</del><br>20            | 2  | 0                             | 0                        | 0                            | 0  | 0  | 2  |
|                         | <del>2022</del><br><del>21</del> | 2  | 0                             | 0                        | 0                            | 0  | 0  | 2  |
|                         | <del>2022</del><br>23            | 2  | 0                             | 0                        | 0                            | 0  | 0  | 2  |
| Arkansas                | <del>2021</del><br>20            | <u>43</u>                                  | 0                             | <u>10</u>                | 0                            | 0  | 0  | 3  |
|                         | <del>2022</del><br><del>21</del> | 3  | 0                             | <u>01</u>                | 0                            | 0  | 0  | <u>32</u>                                    |
|                         | <del>2022</del><br>23            | <u>32</u>                                  | 0                             | <u>10</u>                | 0                            | 0  | 0  | 2  |
| California              | <del>2021</del><br>20            | <u>11389</u>                               | 2                             | <u>221</u>               | <u>31</u>                    | <u>10</u>                                  | 0  | 89   |
|                         | <del>2022</del><br><del>21</del> | 89   | <u>20</u>                     | <u>10</u>                | 1                            | 0  | 0  | <u>8988</u>                                  |
|                         | <del>2022</del><br>23            | <u>8988</u>                                | <u>01</u>                     | 0                        | 1                            | 0  | 0  | 88   |
| Colorado                | <del>2021</del><br>20            | <u>32</u>                                  | 0                             | 0                        | 0                            | <u>10</u>                                  | 0  | 2  |
|                         | <del>2022</del><br><del>21</del> | 2  | 0                             | 0                        | 0                            | 0  | 0  | 2  |
|                         | <del>2022</del><br>23            | 2  | 0                             | 0                        | 0                            | 0  | 0  | 2  |
| Connecticut             | <del>2021</del><br>20            | 1  | 0                             | 0                        | 0                            | 0  | 0  | 1  |
|                         | <del>2022</del><br><del>21</del> | 1  | 0                             | 0                        | 0                            | 0  | 0  | 1  |
|                         | <del>2022</del><br>23            | 1  | 0                             | 0                        | 0                            | 0  | 0  | 1  |
| District of<br>Columbia | <del>2021</del><br>20            | <u>10</u>                                  | 0                             | <u>10</u>                | 0                            | 0  | 0  | 0  |
|                         | <del>2022</del><br><del>21</del> | 0  | 0                             | 0                        | 0                            | 0  | 0  | 0  |
|                         | <del>2022</del><br>23            | 0  | 0                             | 0                        | 0                            | 0  | 0  | 0  |

| (Col. 1)<br>State | (Col. 2)<br>Year                       | (Col. 3)<br>Outlets<br>at Start<br>of Year | (Col. 4)<br>Outlets<br>Opened | (Col. 5)<br>Terminations | (Col. 6)<br>Non-<br>Renewals | (Col. 7)<br>Reacquired<br>by<br>Franchisor | (Col. 8)<br>Ceased<br>Operations --<br>Other Reasons | (Col. 9)<br>Outlets at<br>End of<br>the Year |
|-------------------|--|--|-------------------------------|--------------------------|------------------------------|--|--|--|
| Delaware          | <del>2021</del><br>2020                | <u>31</u>                                  | 0                             | <u>20</u>                | 0                            | 0  | 0  | 1  |
|                   | <del>2022</del><br><del>20</del><br>21 | 1  | 0                             | 0                        | 0                            | 0  | 0  | 1  |
|                   | <del>2022</del><br>20<br><u>23</u>     | 1  | 0                             | 0                        | 0                            | 0  | 0  | 1  |
| Florida           | <del>2021</del><br>20                  | <u>9680</u>                                | <u>01</u>                     | <u>121</u>               | <u>30</u>                    | <u>10</u>                                  | 0  | 80   |
|                   | <del>2022</del><br><del>20</del><br>21 | 80   | 1                             | <u>10</u>                | <u>01</u>                    | 0  | 0  | 80   |
|                   | <del>2022</del><br>20<br><u>23</u>     | 80   | 1                             | <u>01</u>                | <u>10</u>                    | 0  | 0  | 80   |
| Georgia           | <del>2021</del><br>20                  | 34   | <u>10</u>                     | <u>10</u>                | 0                            | 0  | 0  | 34   |
|                   | <del>2022</del><br><del>20</del><br>21 | 34   | 0                             | <u>01</u>                | <u>01</u>                    | 0  | 0  | <u>3432</u>                                  |
|                   | <del>2022</del><br>20<br><u>23</u>     | <u>3432</u>                                | 0                             | <u>10</u>                | <u>12</u>                    | <u>01</u>                                  | 0  | <u>3229</u>                                  |
| Idaho             | <del>2021</del><br>20                  | 3  | 0                             | 0                        | 0                            | 0  | 0  | 3  |
|                   | <del>2022</del><br><del>20</del><br>21 | 3  | 0                             | 0                        | 0                            | 0  | 0  | 3  |
|                   | <del>2022</del><br>20<br><u>23</u>     | 3  | 0                             | 0                        | 0                            | 0  | 0  | 3  |
| Illinois          | <del>2021</del><br>20                  | <u>3930</u>                                | 0                             | <u>80</u>                | <u>10</u>                    | 0  | 0  | 30   |
|                   | <del>2022</del><br><del>20</del><br>21 | 30   | 0                             | 0                        | 0                            | 0  | 0  | 30   |
|                   | <del>2022</del><br>20<br><u>23</u>     | 30   | <u>01</u>                     | 0                        | <u>01</u>                    | 0  | 0  | <u>3029</u>                                  |
| Indiana           | <del>2021</del><br>20                  | <u>1916</u>                                | 0                             | <u>10</u>                | <u>20</u>                    | 0  | 0  | 16   |
|                   | <del>2022</del><br><del>20</del><br>21 | 16   | 0                             | 0                        | 0                            | 0  | 0  | 16   |
|                   | <del>2022</del><br>20<br><u>23</u>     | 16   | 0                             | 0                        | <u>01</u>                    | 0  | 0  | <u>1615</u>                                  |
| Iowa              | <del>2021</del><br>20                  | 2  | <u>01</u>                     | 0                        | 0                            | 0  | 0  | <u>23</u>                                    |
|                   | <del>2022</del><br><del>20</del><br>21 | <u>23</u>                                  | <u>10</u>                     | 0                        | 0                            | 0  | 0  | 3  |
|                   | <del>2022</del><br>20<br><u>23</u>     | 3  | 0                             | 0                        | 0                            | 0  | 0  | 3  |
| Kansas            | <del>2021</del><br>20                  | <u>75</u>                                  | 1                             | <u>20</u>                | <u>10</u>                    | 0  | 0  | <u>56</u>                                    |
|                   | <del>2022</del><br><del>20</del><br>21 | <u>56</u>                                  | <u>10</u>                     | 0                        | 0                            | 0  | 0  | 6  |

| (Col. 1)<br>State | (Col. 2)<br>Year            | (Col. 3)<br>Outlets<br>at Start<br>of Year | (Col. 4)<br>Outlets<br>Opened | (Col. 5)<br>Terminations | (Col. 6)<br>Non-<br>Renewals | (Col. 7)<br>Reacquired<br>by<br>Franchisor | (Col. 8)<br>Ceased<br>Operations --<br>Other Reasons | (Col. 9)<br>Outlets at<br>End of<br>the Year |
|-------------------|-----------------------------|--|-------------------------------|--------------------------|------------------------------|--|--|--|
|                   | <del>2022</del><br>20<br>23 | 6  | <u>0</u> <sub>1</sub>         | 0                        | 0                            | 0  | 0  | <u>6</u> <sub>7</sub>                        |
| Kentucky          | <del>2021</del><br>20<br>20 | <u>7</u> <sub>6</sub>                      | 0                             | <u>1</u> <sub>0</sub>    | 0                            | 0  | 0  | 6  |
|                   | <del>2022</del><br>20<br>21 | 6  | 0                             | <u>0</u> <sub>1</sub>    | 0                            | 0  | 0  | <u>6</u> <sub>5</sub>                        |
|                   | <del>2022</del><br>20<br>23 | <u>6</u> <sub>5</sub>                      | <u>0</u> <sub>1</sub>         | <u>1</u> <sub>0</sub>    | 0                            | 0  | 0  | <u>5</u> <sub>6</sub>                        |
| Louisiana         | <del>2021</del><br>20<br>20 | <del>11</del><br>10                        | 0                             | 0                        | <u>1</u> <sub>0</sub>        | 0  | 0  | 10   |
|                   | <del>2022</del><br>20<br>21 | 10   | 0                             | 0                        | 0                            | 0  | 0  | 10   |
|                   | <del>2022</del><br>20<br>23 | 10   | 0                             | 0                        | 0                            | 0  | 0  | 10   |
| Maryland          | <del>2021</del><br>20<br>20 | <del>13</del><br>10                        | 0                             | <u>2</u> <sub>0</sub>    | <u>1</u> <sub>0</sub>        | 0  | 0  | 10   |
|                   | <del>2022</del><br>20<br>21 | 10   | 0                             | 0                        | 0                            | 0  | 0  | 10   |
|                   | <del>2022</del><br>20<br>23 | 10   | <u>0</u> <sub>1</sub>         | 0                        | 0                            | <u>0</u> <sub>1</sub>                      | 0  | 10   |
| Massachusetts     | <del>2021</del><br>20<br>20 | 3  | 0                             | <u>0</u> <sub>1</sub>    | 0                            | 0  | 0  | <u>3</u> <sub>2</sub>                        |
|                   | <del>2022</del><br>20<br>21 | <u>3</u> <sub>2</sub>                      | 0                             | <u>1</u> <sub>0</sub>    | 0                            | 0  | 0  | 2  |
|                   | <del>2022</del><br>20<br>23 | 2  | 0                             | 0                        | 0                            | 0  | 0  | 2  |
| Michigan          | <del>2021</del><br>20<br>20 | <del>34</del><br>25                        | 0                             | <u>3</u> <sub>0</sub>    | <u>3</u> <sub>0</sub>        | 0  | 0  | 25   |
|                   | <del>2022</del><br>20<br>21 | 25   | 0                             | 0                        | 0                            | 0  | 0  | 25   |
|                   | <del>2022</del><br>20<br>23 | 25   | 0                             | <u>0</u> <sub>1</sub>    | <u>0</u> <sub>1</sub>        | 0  | 0  | <u>25</u> <sub>23</sub>                      |
| Minnesota         | <del>2021</del><br>20<br>20 | <del>17</del><br>15                        | 0                             | <u>2</u> <sub>0</sub>    | 0                            | 0  | 0  | 15   |
|                   | <del>2022</del><br>20<br>21 | 15   | 0                             | 0                        | 0                            | 0  | 0  | 15   |
|                   | <del>2022</del><br>20<br>23 | 15   | 0                             | 0                        | 0                            | 0  | 0  | 15   |
| Mississippi       | <del>2021</del><br>20<br>20 | <del>16</del><br>14                        | 0                             | <u>2</u> <sub>0</sub>    | 0                            | 0  | 0  | 14   |
|                   | <del>2022</del><br>20<br>21 | 14   | 0                             | 0                        | 0                            | 0  | 0  | 14   |
|                   | <del>2022</del><br>20<br>23 | 14   | 0                             | 0                        | 0                            | 0  | <u>0</u> <sub>1</sub>                                | <u>14</u> <sub>13</sub>                      |
| Missouri          | <del>2021</del><br>20<br>20 | 7  | <u>0</u> <sub>1</sub>         | 0                        | 0                            | 0  | 0  | <u>7</u> <sub>8</sub>                        |

| (Col. 1)<br>State | (Col. 2)<br>Year                          | (Col. 3)<br>Outlets<br>at Start<br>of Year | (Col. 4)<br>Outlets<br>Opened | (Col. 5)<br>Terminations | (Col. 6)<br>Non-<br>Renewals | (Col. 7)<br>Reacquired<br>by<br>Franchisor | (Col. 8)<br>Ceased<br>Operations --<br>Other Reasons | (Col. 9)<br>Outlets at<br>End of<br>the Year |
|-------------------|---|--|-------------------------------|--------------------------|------------------------------|--|--|--|
|                   | <del>2022</del><br><u>21</u>              | <u>78</u>                                  | <u>10</u>                     | 0                        | 0                            | 0  | 0  | 8  |
|                   | <del>2022</del><br><u>20</u><br><u>23</u> | 8  | 0                             | 0                        | 0                            | 0  | 0  | 8  |
| Montana           | <del>2021</del><br><u>20</u><br><u>20</u> | <u>20</u>                                  | 0                             | <u>20</u>                | 0                            | 0  | 0  | 0  |
|                   | <del>2022</del><br><u>21</u><br><u>21</u> | 0  | 0                             | 0                        | 0                            | 0  | 0  | 0  |
|                   | <del>2022</del><br><u>20</u><br><u>23</u> | 0  | 0                             | 0                        | 0                            | 0  | 0  | 0  |
| Nebraska          | <del>2021</del><br><u>20</u><br><u>20</u> | <u>114</u>                                 | 0                             | <u>70</u>                | 0                            | 0  | 0  | 4  |
|                   | <del>2022</del><br><u>21</u><br><u>21</u> | 4  | 0                             | 0                        | 0                            | 0  | 0  | 4  |
|                   | <del>2022</del><br><u>20</u><br><u>23</u> | 4  | 0                             | <u>01</u>                | 0                            | 0  | 0  | <u>43</u>                                    |
| Nevada            | <del>2021</del><br><u>20</u><br><u>20</u> | <u>64</u>                                  | 0                             | <u>20</u>                | 0                            | 0  | 0  | 4  |
|                   | <del>2022</del><br><u>21</u><br><u>21</u> | 4  | 0                             | 0                        | 0                            | 0  | 0  | 4  |
|                   | <del>2022</del><br><u>20</u><br><u>23</u> | 4  | 0                             | 0                        | 0                            | 0  | 0  | 4  |
| New<br>Hampshire  | <del>2021</del><br><u>20</u><br><u>20</u> | 3  | 0                             | 0                        | 0                            | 0  | 0  | 3  |
|                   | <del>2022</del><br><u>21</u><br><u>21</u> | 3  | 0                             | 0                        | 0                            | 0  | 0  | 3  |
|                   | <del>2022</del><br><u>20</u><br><u>23</u> | 3  | 0                             | 0                        | 0                            | 0  | 0  | 3  |
| New Jersey        | <del>2021</del><br><u>20</u><br><u>20</u> | <u>3831</u>                                | 0                             | <u>70</u>                | 0                            | 0  | 0  | 31   |
|                   | <del>2022</del><br><u>21</u><br><u>21</u> | 31   | 0                             | <u>01</u>                | <u>01</u>                    | 0  | 0  | <u>3129</u>                                  |
|                   | <del>2022</del><br><u>20</u><br><u>23</u> | <u>3129</u>                                | 0                             | 1                        | <u>10</u>                    | 0  | 0  | <u>2928</u>                                  |
| New Mexico        | <del>2021</del><br><u>20</u><br><u>20</u> | 2  | 0                             | 0                        | 0                            | 0  | 0  | 2  |
|                   | <del>2022</del><br><u>21</u><br><u>21</u> | 2  | 0                             | 0                        | <u>01</u>                    | 0  | 0  | <u>21</u>                                    |
|                   | <del>2022</del><br><u>20</u><br><u>23</u> | <u>21</u>                                  | 0                             | 0                        | <u>10</u>                    | 0  | 0  | 1  |
| New York          | <del>2021</del><br><u>20</u><br><u>20</u> | <u>3420</u>                                | 0                             | <u>100</u>               | <u>30</u>                    | <u>10</u>                                  | 0  | 20   |
|                   | <del>2022</del><br><u>21</u><br><u>21</u> | 20   | 0                             | 0                        | 0                            | 0  | 0  | 20   |
|                   | <del>2022</del><br><u>20</u><br><u>23</u> | 20   | <u>02</u>                     | 0                        | <u>01</u>                    | 0  | 0  | <u>2021</u>                                  |

| (Col. 1)<br>State | (Col. 2)<br>Year                       | (Col. 3)<br>Outlets<br>at Start<br>of Year | (Col. 4)<br>Outlets<br>Opened | (Col. 5)<br>Terminations | (Col. 6)<br>Non-<br>Renewals | (Col. 7)<br>Reacquired<br>by<br>Franchisor | (Col. 8)<br>Ceased<br>Operations --<br>Other Reasons | (Col. 9)<br>Outlets at<br>End of<br>the Year |
|-------------------|--|--|-------------------------------|--------------------------|------------------------------|--|--|--|
| North Carolina    | <del>2021</del><br>20                  | <del>21</del><br>18                        | 1                             | <del>20</del>            | <del>10</del>                | 0  | <del>10</del>  | <del>18</del><br>19                          |
|                   | <del>2022</del><br><del>20</del><br>21 | <del>18</del><br>19                        | <del>10</del>                 | 0                        | 0                            | 0  | 0  | 19   |
|                   | <del>2022</del><br>20<br>23            | 19   | <del>03</del>                 | 0                        | 0                            | <del>01</del>                              | 0  | <del>19</del><br>21                          |
| Ohio              | <del>2021</del><br>20                  | <del>37</del><br>30                        | 0                             | <del>50</del>            | <del>20</del>                | 0  | 0  | 30   |
|                   | <del>2022</del><br><del>20</del><br>21 | 30   | 0                             | 0                        | <del>02</del>                | 0  | 0  | <del>30</del><br>28                          |
|                   | <del>2022</del><br>20<br>23            | <del>30</del><br>28                        | 0                             | 0                        | <del>21</del>                | 0  | <del>01</del>  | <del>28</del><br>26                          |
| Oklahoma          | <del>2021</del><br>20                  | <del>15</del><br>13                        | <del>01</del>                 | <del>20</del>            | 0                            | 0  | 0  | <del>13</del><br>14                          |
|                   | <del>2022</del><br><del>20</del><br>21 | <del>13</del><br>14                        | <del>10</del>                 | 0                        | 0                            | 0  | 0  | 14   |
|                   | <del>2022</del><br>20<br>23            | 14   | 0                             | 0                        | <del>01</del>                | 0  | 0  | <del>14</del><br>13                          |
| Oregon            | <del>2021</del><br>20                  | <del>32</del>                              | 0                             | <del>10</del>            | 0                            | 0  | 0  | 2  |
|                   | <del>2022</del><br><del>20</del><br>21 | 2  | 0                             | 0                        | 0                            | 0  | 0  | 2  |
|                   | <del>2022</del><br>20<br>23            | 2  | 0                             | 0                        | 0                            | 0  | 0  | 2  |
| Pennsylvania      | <del>2021</del><br>20                  | <del>33</del><br>27                        | 0                             | <del>40</del>            | <del>21</del>                | 0  | 0  | <del>27</del><br>26                          |
|                   | <del>2022</del><br><del>20</del><br>21 | <del>27</del><br>26                        | 0                             | <del>01</del>            | 1                            | 0  | 0  | <del>26</del><br>24                          |
|                   | <del>2022</del><br>20<br>23            | <del>26</del><br>24                        | 0                             | <del>10</del>            | <del>10</del>                | 0  | 0  | 24   |
| South Carolina    | <del>2021</del><br>20                  | <del>19</del><br>15                        | 0                             | <del>40</del>            | 0                            | 0  | 0  | 15   |
|                   | <del>2022</del><br><del>20</del><br>21 | 15   | 0                             | <del>02</del>            | 0                            | 0  | 0  | <del>15</del><br>13                          |
|                   | <del>2022</del><br>20<br>23            | <del>15</del><br>13                        | 0                             | <del>20</del>            | 0                            | 0  | 0  | 13   |
| South Dakota      | <del>2021</del><br>20                  | 4  | 0                             | 0                        | 0                            | 0  | 0  | 4  |
|                   | <del>2022</del><br><del>20</del><br>21 | 4  | 0                             | 0                        | 0                            | 0  | 0  | 4  |
|                   | <del>2022</del><br>20<br>23            | 4  | 0                             | 0                        | 0                            | 0  | 0  | 4  |
| Tennessee         | <del>2021</del><br>20                  | <del>23</del><br>24                        | <del>10</del>                 | 0                        | 0                            | 0  | 0  | 24   |
|                   | <del>2022</del><br><del>20</del><br>21 | 24   | 0                             | 0                        | <del>01</del>                | 0  | 0  | <del>24</del><br>23                          |

| (Col. 1)<br>State | (Col. 2)<br>Year            | (Col. 3)<br>Outlets<br>at Start<br>of Year | (Col. 4)<br>Outlets<br>Opened | (Col. 5)<br>Terminations | (Col. 6)<br>Non-<br>Renewals | (Col. 7)<br>Reacquired<br>by<br>Franchisor | (Col. 8)<br>Ceased<br>Operations --<br>Other Reasons | (Col. 9)<br>Outlets at<br>End of<br>the Year |
|-------------------|-----------------------------|--|-------------------------------|--------------------------|------------------------------|--|--|--|
|                   | <del>2022</del><br>20<br>23 | <del>24</del><br>23                        | 0                             | 0                        | <del>1</del><br>0            | 0  | 0  | 23   |
| Texas             | <del>2021</del><br>20<br>20 | <del>213</del><br>179                      | <del>0</del><br>2             | <del>2</del><br>90       | <del>5</del><br>2            | 0  | 0  | 179  |
|                   | <del>2022</del><br>20<br>21 | 179  | 2                             | <del>0</del><br>2        | <del>2</del><br>0            | 0  | 0  | 179  |
|                   | <del>2022</del><br>20<br>23 | 179  | <del>2</del><br>1             | <del>2</del><br>8        | <del>0</del><br>7            | 0  | <del>0</del><br>1                                    | <del>179</del><br>164                        |
| Utah              | <del>2021</del><br>20<br>20 | 6  | 0                             | 0                        | 0                            | 0  | 0  | 6  |
|                   | <del>2022</del><br>20<br>21 | 6  | 0                             | 0                        | 0                            | 0  | 0  | 6  |
|                   | <del>2022</del><br>20<br>23 | 6  | 0                             | 0                        | 0                            | 0  | 0  | 6  |
| Virginia          | <del>2021</del><br>20<br>20 | <del>25</del><br>21                        | 0                             | <del>4</del><br>0        | 0                            | 0  | 0  | 21   |
|                   | <del>2022</del><br>20<br>21 | 21   | 0                             | 0                        | 0                            | 0  | 0  | 21   |
|                   | <del>2022</del><br>20<br>23 | 21   | 0                             | 0                        | <del>0</del><br>2            | 0  | 0  | <del>21</del><br>19                          |
| Washington        | <del>2021</del><br>20<br>20 | <del>8</del><br>6                          | 0                             | <del>2</del><br>0        | 0                            | 0  | 0  | 6  |
|                   | <del>2022</del><br>20<br>21 | 6  | 0                             | 0                        | 0                            | 0  | 0  | 6  |
|                   | <del>2022</del><br>20<br>23 | 6  | 0                             | 0                        | 0                            | 0  | 0  | 6  |
| West Virginia     | <del>2021</del><br>20<br>20 | <del>6</del><br>4                          | 0                             | <del>2</del><br>0        | 0                            | 0  | 0  | 4  |
|                   | <del>2021</del><br>20<br>22 | 4  | 0                             | 0                        | 0                            | 0  | 0  | 4  |
|                   | <del>2022</del><br>20<br>23 | 4  | 0                             | 0                        | 0                            | 0  | 0  | 4  |
| Wisconsin         | <del>2021</del><br>20<br>20 | 1  | 0                             | 0                        | 0                            | 0  | 0  | 1  |
|                   | <del>2022</del><br>20<br>21 | 1  | 0                             | 0                        | 0                            | 0  | 0  | 1  |
|                   | <del>2022</del><br>20<br>23 | 1  | 0                             | 0                        | 0                            | 0  | 0  | 1  |
| Total (2)(3)(4)   | <del>2021</del><br>20<br>20 | <del>956</del><br>786                      | <del>6</del><br>10            | <del>14</del><br>33      | <del>2</del><br>84           | <del>4</del><br>0                          | <del>1</del><br>0                                    | <del>786</del><br>789                        |
|                   | <del>2022</del><br>20<br>21 | <del>786</del><br>789                      | <del>4</del><br>3             | <del>3</del><br>9        | <del>4</del><br>9            | 0  | 0  | <del>789</del><br>774                        |
|                   | <del>2022</del><br>20<br>23 | <del>789</del><br>774                      | <del>3</del><br>12            | <del>9</del><br>12       | <del>9</del><br>18           | <del>0</del><br>3                          | <del>0</del><br>3                                    | <del>774</del><br>750                        |

Notes to Table No. 3:

- ~~(1) On October 7, 2020, we acquired all of the then existing franchise agreements (792 total) of our predecessor, General Nutrition Corporation, out of bankruptcy, pursuant to the sales transaction described in Item 4 of this disclosure document. Prior to October 7, 2020, our predecessor, General Nutrition Corporation, was the franchisor. See Item 4 of this disclosure document for more information regarding the former franchisor's bankruptcy filing and proceedings. Except as indicated in Note 3 below, all of the activity reflected in Table No. 3 for 2020 occurred while our predecessor was the franchisor.~~
- ~~(2) Of the 143 total terminations reflected in the table for 2020, 118 of them were the result of the franchise agreements of our predecessor being rejected/terminated pursuant to the bankruptcy proceedings described in Item 4 of this disclosure document. There were various reasons for these rejections/terminations, including that the location was unprofitable or underperforming, occupancy costs were too high relative to sales, and the franchisee made the decision to retire early.~~
- ~~(3) Between October 7, 2020 (the date we acquired all of our predecessor's then existing franchise agreements) and December 31, 2020, a total of 6 franchised outlets were closed. Of those 6 franchised outlets, there were 4 non renewals, 1 termination, and 1 ceased operations other reasons, all of which are reflected for 2020 in the table above. There were 5 outlets that opened in 2020 after October 7, 2020 (2 in CA, and 1 in each of GA, NC, and TN) where our predecessor had entered into the franchise agreements with those franchisees, and we acquired those agreements as part of the sales transaction described in Item 4.~~
- (4) During 2022, seven (7) franchisees moved their outlets to new locations pursuant to their existing franchise agreements (these outlets are located in CA, FL, MN, MO, OH, TX, and VA). These franchisees continued to operate their relocated outlets under their existing franchise agreements. The closing of the old outlets and the opening of the relocated outlets are not reflected in the table.

(2) During 2023, six (6) franchisees moved their outlets to new locations pursuant to their existing franchise agreements (these outlets are located in CA, MI, MN, NE, and TX (2)). These franchisees continued to operate their relocated outlets under their existing franchise agreements. The closing of the old outlets and the opening of the relocated outlets are not reflected in the table.

ITEM 20 TABLE NO. 4

Status of Company-Owned Outlets ~~(4)~~  
For Years ~~2020~~2021 to ~~2023~~2022

| (Column 1)<br>State     | (Column 2)<br>Year   | (Column 3)<br>Outlets at<br>Start of<br>Year | (Column 4)<br>Outlets<br>Opened | (Column 5)<br>Reacquired<br>from<br>Franchisees | (Column 6)<br>Outlets<br>Closed | (Column 7)<br>Outlets<br>Sold to<br>Franchisees | (Column 8)<br>Outlets at<br>End of<br>Year |
|-------------------------|----------------------|--|---------------------------------|---|---------------------------------|---|--|
| Alabama                 | <del>2021</del> 2020 | <u>3425</u>                                  | 0                               | 0   | <u>91</u>                       | 0   | <u>2524</u>                                |
|                         | <del>2022</del> 2021 | <u>2524</u>                                  | 0                               | 0   | 1                               | 0   | <u>2423</u>                                |
|                         | <del>2022</del> 2023 | <u>2423</u>                                  | <u>01</u>                       | 0   | 1                               | 0   | 23   |
| Alaska                  | <del>2021</del> 2020 | <u>4411</u>                                  | <u>01</u>                       | 0   | <u>30</u>                       | 0   | <u>4412</u>                                |
|                         | <del>2022</del> 2021 | <u>4412</u>                                  | <u>10</u>                       | 0   | <u>01</u>                       | 0   | <u>4211</u>                                |
|                         | <del>2022</del> 2023 | <u>4211</u>                                  | 0                               | 0   | <u>10</u>                       | 0   | 11   |
| Arizona                 | <del>2021</del> 2020 | <u>6946</u>                                  | 1                               | 0   | <u>241</u>                      | 0   | 46   |
|                         | <del>2022</del> 2021 | 46   | 1                               | 0   | 1                               | 0   | 46   |
|                         | <del>2022</del> 2023 | 46   | <u>12</u>                       | 0   | <u>10</u>                       | 0   | <u>4648</u>                                |
| Arkansas                | <del>2021</del> 2020 | <u>217</u>                                   | 0                               | 0   | <u>140</u>                      | 0   | 7  |
|                         | <del>2022</del> 2021 | 7  | <u>02</u>                       | 0   | 0                               | 0   | <u>79</u>                                  |
|                         | <del>2022</del> 2023 | <u>79</u>                                    | <u>20</u>                       | 0   | 0                               | 0   | 9  |
| California              | <del>2021</del> 2020 | <u>237122</u>                                | 0                               | <u>10</u>                                       | <u>1163</u>                     | 0   | <u>122119</u>                              |
|                         | <del>2022</del> 2021 | <u>122119</u>                                | <u>07</u>                       | 0   | <u>310</u>                      | 0   | <u>119116</u>                              |
|                         | <del>2022</del> 2023 | <u>119116</u>                                | <u>710</u>                      | 0   | <u>105</u>                      | 0   | <u>116121</u>                              |
| Colorado                | <del>2021</del> 2020 | <u>6240</u>                                  | 0                               | <u>10</u>                                       | <u>232</u>                      | 0   | <u>4038</u>                                |
|                         | <del>2022</del> 2021 | <u>4038</u>                                  | <u>01</u>                       | 0   | <u>23</u>                       | 0   | <u>3836</u>                                |
|                         | <del>2022</del> 2023 | <u>3836</u>                                  | <u>10</u>                       | 0   | <u>31</u>                       | 0   | <u>3635</u>                                |
| Connecticut             | <del>2021</del> 2020 | <u>4023</u>                                  | 0                               | 0   | <u>171</u>                      | 0   | <u>2322</u>                                |
|                         | <del>2022</del> 2021 | <u>2322</u>                                  | <u>01</u>                       | 0   | <u>12</u>                       | 0   | <u>2221</u>                                |
|                         | <del>2022</del> 2023 | <u>2221</u>                                  | 1                               | 0   | 2                               | 0   | <u>2420</u>                                |
| Delaware                | <del>2021</del> 2020 | <u>167</u>                                   | 0                               | 0   | <u>90</u>                       | 0   | 7  |
|                         | <del>2022</del> 2021 | 7  | 0                               | 0   | 0                               | 0   | 7  |
|                         | <del>2022</del> 2023 | 7  | 0                               | 0   | 0                               | 0   | 7  |
| District of<br>Columbia | <del>2021</del> 2020 | <u>63</u>                                    | 0                               | 0   | <u>30</u>                       | 0   | 3  |
|                         | <del>2022</del> 2021 | 3  | 0                               | 0   | 0                               | 0   | 3  |
|                         | <del>2022</del> 2023 | 3  | 0                               | 0   | 0                               | 0   | 3  |
| Florida                 | <del>2021</del> 2020 | <u>231145</u>                                | <u>10</u>                       | <u>10</u>                                       | <u>885</u>                      | 0   | <u>145140</u>                              |
|                         | <del>2022</del> 2021 | <u>145140</u>                                | <u>02</u>                       | 0   | <u>510</u>                      | 0   | <u>140132</u>                              |
|                         | <del>2022</del> 2023 | <u>140132</u>                                | <u>21</u>                       | 0   | <u>103</u>                      | 0   | <u>132130</u>                              |
| Georgia                 | <del>2021</del> 2020 | <u>10077</u>                                 | 0                               | 0   | <u>231</u>                      | 0   | <u>7776</u>                                |
|                         | <del>2022</del> 2021 | <u>7776</u>                                  | <u>01</u>                       | 0   | <u>14</u>                       | 0   | <u>7673</u>                                |
|                         | <del>2022</del> 2023 | <u>7673</u>                                  | <u>10</u>                       | <u>01</u>                                       | 4                               | 0   | <u>7370</u>                                |
| Hawaii                  | <del>2021</del> 2020 | <u>2620</u>                                  | 0                               | 0   | <u>60</u>                       | 0   | 20   |
|                         | <del>2022</del> 2021 | 20   | 0                               | 0   | <u>01</u>                       | 0   | <u>2019</u>                                |
|                         | <del>2022</del> 2023 | <u>2019</u>                                  | <u>01</u>                       | 0   | <u>13</u>                       | 0   | <u>1917</u>                                |
| Idaho                   | <del>2021</del> 2020 | <u>127</u>                                   | 0                               | 0   | <u>50</u>                       | 0   | 7  |
|                         | <del>2022</del> 2021 | 7  | 0                               | 0   | 0                               | 0   | 7  |
|                         | <del>2022</del> 2023 | 7  | 0                               | 0   | 0                               | 0   | 7  |
| Illinois                | <del>2021</del> 2020 | <u>9637</u>                                  | 0                               | 0   | <u>591</u>                      | 0   | <u>3736</u>                                |
|                         | <del>2022</del> 2021 | <u>3736</u>                                  | <u>01</u>                       | 0   | <u>13</u>                       | 0   | <u>3634</u>                                |
|                         | <del>2022</del> 2023 | <u>3634</u>                                  | <u>13</u>                       | 0   | <u>31</u>                       | 0   | <u>3436</u>                                |
| Indiana                 | <del>2021</del> 2020 | <u>5337</u>                                  | 0                               | 0   | <u>160</u>                      | 0   | 37   |

| (Column 1)<br>State | (Column 2)<br>Year   | (Column 3)<br>Outlets at<br>Start of<br>Year | (Column 4)<br>Outlets<br>Opened | (Column 5)<br>Reacquired<br>from<br>Franchisees | (Column 6)<br>Outlets<br>Closed | (Column 7)<br>Outlets<br>Sold to<br>Franchisees | (Column 8)<br>Outlets at<br>End of<br>Year |
|---------------------|----------------------|--|---------------------------------|---|---------------------------------|---|--|
|                     | <del>2022</del> 2021 | 37   | <del>0</del>                    | 0   | <del>0</del>                    | 0   | <del>37</del> 38                           |
|                     | <del>2022</del> 2023 | <del>37</del> 38                             | <del>1</del>                    | 0   | 1                               | 0   | 38   |
| Iowa                | <del>2021</del> 2020 | <del>29</del> 13                             | 0                               | 0   | <del>16</del> 0                 | 0   | 13   |
|                     | <del>2022</del> 2021 | 13   | <del>0</del>                    | 0   | <del>0</del>                    | 0   | 13   |
|                     | <del>2022</del> 2023 | <del>13</del>                                | <del>1</del>                    | 0   | <del>10</del>                   | 0   | <del>13</del> 15                           |
| Kansas              | <del>2021</del> 2020 | <del>25</del> 13                             | 0                               | 0   | <del>12</del> 0                 | 0   | 13   |
|                     | <del>2022</del> 2021 | 13   | <del>0</del>                    | 0   | <del>0</del>                    | 0   | <del>13</del> 12                           |
|                     | <del>2022</del> 2023 | <del>13</del> 12                             | <del>1</del>                    | 0   | <del>20</del>                   | 0   | <del>12</del> 14                           |
| Kentucky            | <del>2021</del> 2020 | <del>34</del> 26                             | 0                               | 0   | <del>83</del>                   | 0   | <del>26</del> 23                           |
|                     | <del>2022</del> 2021 | <del>26</del> 23                             | 0                               | 0   | <del>31</del>                   | 0   | <del>23</del> 22                           |
|                     | <del>2022</del> 2023 | <del>23</del> 22                             | <del>0</del>                    | 0   | <del>10</del>                   | <del>0</del>                                    | <del>22</del> 23                           |
| Louisiana           | <del>2021</del> 2020 | <del>45</del> 26                             | 0                               | 0   | <del>190</del>                  | 0   | 26   |
|                     | <del>2022</del> 2021 | 26   | 0                               | 0   | <del>0</del>                    | 0   | <del>26</del> 25                           |
|                     | <del>2022</del> 2023 | <del>26</del> 25                             | 0                               | 0   | <del>10</del>                   | 0   | 25   |
| Maine               | <del>2021</del> 2020 | <del>84</del>                                | 0                               | 0   | <del>40</del>                   | 0   | 4  |
|                     | <del>2022</del> 2021 | 4  | 0                               | 0   | 0                               | 0   | 4  |
|                     | <del>2022</del> 2023 | <del>4</del>                                 | 0                               | 0   | 0                               | 0   | 4  |
| Maryland            | <del>2021</del> 2020 | <del>60</del> 29                             | 0                               | 0   | <del>340</del>                  | 0   | 29   |
|                     | <del>2022</del> 2021 | 29   | <del>0</del>                    | 0   | 0                               | 0   | <del>29</del> 30                           |
|                     | <del>2022</del> 2023 | <del>29</del> 30                             | <del>1</del>                    | <del>0</del>                                    | 0                               | 0   | <del>30</del> 34                           |
| Massachusetts       | <del>2021</del> 2020 | <del>62</del> 31                             | 0                               | 0   | <del>340</del>                  | 0   | 31   |
|                     | <del>2022</del> 2021 | 31   | <del>0</del>                    | 0   | <del>0</del>                    | 0   | <del>31</del> 36                           |
|                     | <del>2022</del> 2023 | <del>31</del> 36                             | <del>0</del>                    | 0   | <del>12</del>                   | 0   | <del>36</del> 35                           |
| Michigan            | <del>2021</del> 2020 | <del>76</del> 28                             | 0                               | 0   | <del>481</del>                  | 0   | <del>28</del> 27                           |
|                     | <del>2022</del> 2021 | <del>28</del> 27                             | 0                               | 0   | <del>12</del>                   | 0   | <del>27</del> 25                           |
|                     | <del>2022</del> 2023 | <del>27</del> 25                             | <del>0</del>                    | 0   | <del>20</del>                   | 0   | <del>25</del> 31                           |
| Minnesota           | <del>2021</del> 2020 | <del>45</del> 21                             | 0                               | 0   | <del>240</del>                  | 0   | 21   |
|                     | <del>2022</del> 2021 | 21   | 0                               | 0   | <del>0</del>                    | 0   | <del>21</del> 20                           |
|                     | <del>2022</del> 2023 | <del>21</del> 20                             | <del>0</del>                    | 0   | <del>10</del>                   | 0   | <del>20</del> 21                           |
| Mississippi         | <del>2021</del> 2020 | <del>24</del> 18                             | 0                               | 0   | <del>60</del>                   | 0   | 18   |
|                     | <del>2022</del> 2021 | 18   | 0                               | 0   | <del>0</del>                    | 0   | <del>18</del> 16                           |
|                     | <del>2022</del> 2023 | <del>18</del> 16                             | 0                               | 0   | <del>20</del>                   | 0   | 16   |
| Missouri            | <del>2021</del> 2020 | <del>45</del> 20                             | 0                               | 0   | <del>250</del>                  | 0   | 20   |
|                     | <del>2022</del> 2021 | 20   | <del>0</del>                    | 0   | 0                               | 0   | <del>20</del> 22                           |
|                     | <del>2022</del> 2023 | <del>20</del> 22                             | <del>1</del>                    | 0   | <del>0</del>                    | 0   | 22   |
| Montana             | <del>2021</del> 2020 | <del>86</del>                                | 0                               | 0   | <del>20</del>                   | 0   | 6  |
|                     | <del>2022</del> 2021 | 6  | 0                               | 0   | <del>0</del>                    | 0   | <del>6</del> 5                             |
|                     | <del>2022</del> 2023 | <del>6</del> 5                               | 0                               | 0   | <del>10</del>                   | 0   | 5  |
| Nebraska            | <del>2021</del> 2020 | <del>76</del>                                | 0                               | 0   | <del>10</del>                   | 0   | 6  |
|                     | <del>2022</del> 2021 | 6  | 0                               | 0   | 0                               | 0   | 6  |
|                     | <del>2022</del> 2023 | <del>6</del>                                 | <del>0</del>                    | 0   | <del>0</del>                    | 0   | 6  |
| Nevada              | <del>2021</del> 2020 | <del>30</del> 22                             | 0                               | 0   | <del>80</del>                   | 0   | 22   |
|                     | <del>2022</del> 2021 | 22   | 0                               | 0   | <del>0</del>                    | 0   | <del>22</del> 18                           |
|                     | <del>2022</del> 2023 | <del>22</del> 18                             | <del>0</del>                    | 0   | <del>40</del>                   | 0   | <del>18</del> 19                           |
| New Hampshire       | <del>2021</del> 2020 | <del>18</del> 10                             | 0                               | 0   | <del>80</del>                   | 0   | 10   |
|                     | <del>2022</del> 2021 | 10   | <del>0</del>                    | 0   | 0                               | 0   | <del>10</del> 11                           |
|                     | <del>2022</del> 2023 | <del>10</del> 11                             | 1                               | 0   | <del>0</del>                    | 0   | 11   |

| (Column 1)<br>State | (Column 2)<br>Year   | (Column 3)<br>Outlets at<br>Start of<br>Year | (Column 4)<br>Outlets<br>Opened | (Column 5)<br>Reacquired<br>from<br>Franchisees | (Column 6)<br>Outlets<br>Closed | (Column 7)<br>Outlets<br>Sold to<br>Franchisees | (Column 8)<br>Outlets at<br>End of<br>Year |
|---------------------|----------------------|--|---------------------------------|---|---------------------------------|---|--|
| New Jersey          | <del>2021</del> 2020 | <u>8539</u>                                  | 0                               | 0   | <u>461</u>                      | 0   | <u>3938</u>                                |
|                     | <del>2022</del> 2021 | <u>3938</u>                                  | <u>02</u>                       | 0   | 1                               | 0   | <u>3839</u>                                |
|                     | <del>2022</del> 2023 | <u>3839</u>                                  | <u>23</u>                       | 0   | <u>12</u>                       | 0   | <u>3940</u>                                |
| New Mexico          | <del>2021</del> 2020 | <u>2017</u>                                  | 0                               | 0   | <u>30</u>                       | 0   | 17   |
|                     | <del>2022</del> 2021 | 17   | 0                               | 0   | <u>01</u>                       | 0   | <u>1716</u>                                |
|                     | <del>2022</del> 2023 | <u>1716</u>                                  | 0                               | 0   | <u>10</u>                       | 0   | 16   |
| New York            | <del>2021</del> 2020 | <u>18089</u>                                 | 0                               | <u>10</u>                                       | <u>923</u>                      | 0   | <u>8986</u>                                |
|                     | <del>2022</del> 2021 | <u>8986</u>                                  | <u>08</u>                       | 0   | <u>38</u>                       | 0   | 86   |
|                     | <del>2022</del> 2023 | 86   | <u>810</u>                      | 0   | <u>84</u>                       | 0   | <u>8692</u>                                |
| North Carolina      | <del>2021</del> 2020 | <u>11174</u>                                 | 0                               | 0   | <u>372</u>                      | 0   | <u>7472</u>                                |
|                     | <del>2022</del> 2021 | <u>7472</u>                                  | <u>01</u>                       | 0   | <u>23</u>                       | 0   | <u>7270</u>                                |
|                     | <del>2022</del> 2023 | <u>7270</u>                                  | 1                               | <u>01</u>                                       | <u>32</u>                       | <u>03</u>                                       | <u>7067</u>                                |
| North Dakota        | <del>2021</del> 2020 | <u>97</u>                                    | 0                               | 0   | <u>20</u>                       | 0   | 7  |
|                     | <del>2022</del> 2021 | 7  | 0                               | 0   | 0                               | 0   | 7  |
|                     | <del>2022</del> 2023 | 7  | 0                               | 0   | 0                               | 0   | 7  |
| Ohio                | <del>2021</del> 2020 | <u>10353</u>                                 | 0                               | 0   | <u>501</u>                      | 0   | <u>5352</u>                                |
|                     | <del>2022</del> 2021 | <u>5352</u>                                  | <u>03</u>                       | 0   | 1                               | 0   | <u>5254</u>                                |
|                     | <del>2022</del> 2023 | <u>5254</u>                                  | <u>34</u>                       | 0   | <u>13</u>                       | 0   | <u>5455</u>                                |
| Oklahoma            | <del>2021</del> 2020 | <u>2411</u>                                  | 0                               | 0   | <u>130</u>                      | 0   | 11   |
|                     | <del>2022</del> 2021 | 11   | <u>01</u>                       | 0   | 0                               | 0   | <u>1112</u>                                |
|                     | <del>2022</del> 2023 | <u>1112</u>                                  | <u>12</u>                       | 0   | 0                               | 0   | <u>1214</u>                                |
| Oregon              | <del>2021</del> 2020 | <u>3019</u>                                  | 0                               | 0   | <u>11</u>                       | 0   | <u>1918</u>                                |
|                     | <del>2022</del> 2021 | <u>1918</u>                                  | <u>01</u>                       | 0   | 1                               | 0   | 18   |
|                     | <del>2022</del> 2023 | 18   | <u>10</u>                       | 0   | <u>10</u>                       | 0   | 18   |
| Pennsylvania        | <del>2021</del> 2020 | <u>12569</u>                                 | 0                               | 0   | <u>563</u>                      | 0   | <u>6966</u>                                |
|                     | <del>2022</del> 2021 | <u>6966</u>                                  | <u>03</u>                       | 0   | 3                               | 0   | 66   |
|                     | <del>2022</del> 2023 | 66   | <u>35</u>                       | 0   | <u>35</u>                       | 0   | 66   |
| Puerto Rico         | <del>2021</del> 2020 | <u>2818</u>                                  | 0                               | 0   | <u>100</u>                      | 0   | 18   |
|                     | <del>2022</del> 2021 | 18   | <u>02</u>                       | 0   | 0                               | 0   | <u>1820</u>                                |
|                     | <del>2022</del> 2023 | <u>1820</u>                                  | <u>20</u>                       | 0   | 0                               | 0   | 20   |
| Rhode Island        | <del>2021</del> 2020 | <u>115</u>                                   | 0                               | 0   | <u>60</u>                       | 0   | 5  |
|                     | <del>2022</del> 2021 | 5  | <u>01</u>                       | 0   | <u>01</u>                       | 0   | 5  |
|                     | <del>2022</del> 2023 | 5  | 1                               | 0   | <u>10</u>                       | 0   | <u>56</u>                                  |
| South Carolina      | <del>2021</del> 2020 | <u>4330</u>                                  | 0                               | 0   | <u>130</u>                      | 0   | 30   |
|                     | <del>2022</del> 2021 | 30   | 0                               | 0   | <u>01</u>                       | 0   | <u>3029</u>                                |
|                     | <del>2023</del> 2022 | <u>3029</u>                                  | 0                               | 0   | <u>10</u>                       | 0   | 29   |
| South Dakota        | <del>2021</del> 2020 | <u>42</u>                                    | 0                               | 0   | <u>20</u>                       | 0   | 2  |
|                     | <del>2022</del> 2021 | 2  | 0                               | 0   | 0                               | 0   | 2  |
|                     | <del>2023</del> 2022 | 2  | 0                               | 0   | 0                               | 0   | 2  |
| Tennessee           | <del>2021</del> 2020 | <u>4634</u>                                  | 0                               | 0   | <u>122</u>                      | 0   | <u>3432</u>                                |
|                     | <del>2022</del> 2021 | <u>3432</u>                                  | 0                               | 0   | 2                               | 0   | <u>3230</u>                                |
|                     | <del>2023</del> 2022 | <u>3230</u>                                  | <u>03</u>                       | 0   | 2                               | 0   | <u>3031</u>                                |
| Texas               | <del>2021</del> 2020 | <u>12681</u>                                 | 0                               | 0   | <u>451</u>                      | 0   | <u>8180</u>                                |
|                     | <del>2022</del> 2021 | <u>8180</u>                                  | <u>03</u>                       | 0   | <u>16</u>                       | 0   | <u>8077</u>                                |
|                     | <del>2022</del> 2023 | <u>8077</u>                                  | <u>37</u>                       | 0   | <u>65</u>                       | 0   | <u>7779</u>                                |
| Utah                | <del>2021</del> 2020 | <u>2921</u>                                  | 0                               | 0   | <u>81</u>                       | 0   | <u>2120</u>                                |
|                     | <del>2022</del> 2021 | <u>2120</u>                                  | 0                               | 0   | <u>10</u>                       | 0   | 20   |

| (Column 1)<br>State | (Column 2)<br>Year   | (Column 3)<br>Outlets at<br>Start of<br>Year | (Column 4)<br>Outlets<br>Opened | (Column 5)<br>Reacquired<br>from<br>Franchisees | (Column 6)<br>Outlets<br>Closed | (Column 7)<br>Outlets<br>Sold to<br>Franchisees | (Column 8)<br>Outlets at<br>End of<br>Year |
|---------------------|----------------------|--|---------------------------------|---|---------------------------------|---|--|
|                     | <del>2022</del> 2023 | 20   | <del>0</del> 2                  | 0   | 0                               | 0   | <del>2022</del>                            |
| Vermont             | <del>2021</del> 2020 | 2  | 0                               | 0   | 0                               | 0   | 2  |
|                     | <del>2022</del> 2021 | 2  | 0                               | 0   | <del>0</del> 1                  | 0   | <del>2</del> 1                             |
|                     | <del>2022</del> 2023 | <del>2</del> 1                               | 0                               | 0   | 1                               | 0   | <del>2</del> 0                             |
| Virginia            | <del>2021</del> 2020 | <del>80</del> 54                             | 0                               | 0   | <del>26</del> 1                 | 0   | <del>54</del> 53                           |
|                     | <del>2022</del> 2021 | <del>54</del> 53                             | <del>0</del> 1                  | 0   | <del>15</del>                   | 0   | <del>53</del> 49                           |
|                     | <del>2022</del> 2023 | <del>53</del> 49                             | <del>1</del> 0                  | 0   | <del>5</del> 1                  | 0   | <del>49</del> 48                           |
| Washington          | <del>2021</del> 2020 | <del>57</del> 32                             | 0                               | 0   | <del>25</del> 3                 | 0   | <del>32</del> 29                           |
|                     | <del>2022</del> 2021 | <del>32</del> 29                             | <del>0</del> 6                  | 0   | <del>3</del> 2                  | 0   | <del>29</del> 33                           |
|                     | <del>2022</del> 2023 | <del>29</del> 33                             | <del>6</del> 3                  | 0   | <del>2</del> 1                  | 0   | <del>33</del> 35                           |
| West Virginia       | <del>2021</del> 2020 | <del>49</del> 15                             | 0                               | 0   | <del>4</del> 2                  | 0   | <del>45</del> 13                           |
|                     | <del>2022</del> 2021 | <del>45</del> 13                             | 0                               | 0   | <del>2</del> 0                  | 0   | 13   |
|                     | <del>2022</del> 2023 | 13   | 0                               | 0   | 0                               | 0   | 13   |
| Wisconsin           | <del>2021</del> 2020 | <del>54</del> 33                             | 0                               | 0   | <del>24</del> 0                 | 0   | 33   |
|                     | <del>2022</del> 2021 | 33   | 0                               | 0   | <del>0</del> 1                  | 0   | <del>33</del> 32                           |
|                     | <del>2022</del> 2023 | <del>33</del> 32                             | 0                               | 0   | <del>4</del> 0                  | 0   | 32   |
| Wyoming             | <del>2021</del> 2020 | <del>8</del> 7                               | 0                               | 0   | <del>4</del> 0                  | 0   | 7  |
|                     | <del>2021</del> 2022 | 7  | 0                               | 0   | 0                               | 0   | 7  |
|                     | <del>2022</del> 2023 | 7  | 0                               | 0   | 0                               | 0   | 7  |
| Total (2)           | <del>2021</del> 2020 | <del>2,727</del> 1,592                       | 2                               | 40  | <del>1,141</del> 140            | 0   | <del>1,592</del> 554                       |
|                     | <del>2021</del> 2022 | <del>1,592</del> 554                         | <del>2</del> 62                 | 0   | <del>40</del> 90                | 0   | <del>1,554</del> 526                       |
|                     | <del>2022</del> 2023 | <del>1,554</del> 526                         | <del>6</del> 282                | <del>0</del> 3                                  | <del>90</del> 52                | <del>0</del> 4                                  | <del>1,526</del> 555                       |

**Notes to Table No. 4:**

(1) On October 7, 2020, we acquired all of the then-existing company-owned outlets (1,592 total) of our predecessor, General Nutrition Corporation, out of bankruptcy, pursuant to the sales transaction described in Item 4 of this disclosure document. Prior to October 7, 2020, our predecessor, General Nutrition Corporation, owned and operated all of the company-owned outlets. See Item 4 of this disclosure document for more information regarding our predecessor's bankruptcy filing and proceedings. All of the activity reflected in Table No. 4 for 2020 occurred while our predecessor was the owner of the outlets.

(2) Of the 1,141 total company-owned outlet closings reflected for 2020, 1,067 of these were the result of the lease for the outlet being rejected/terminated (and the outlet closing) pursuant to our predecessor's bankruptcy proceedings described in Item 4 of this disclosure document. Those leases were rejected/terminated (and the corresponding outlets closed) primarily because those stores were unprofitable or underperforming, due in part to high occupancy costs.

ITEM 20 TABLE NO. 5

Projected Openings As Of December 31, ~~2022~~2023

| (Column 1)<br>State         | (Column 2)<br>Franchise Agreements Signed But Outlet Not Opened | (Column 3)<br>Projected New Franchised Outlets in the Next Fiscal Year | (Column 4)<br>Projected New Company-Owned Outlets in the Next Fiscal Year |
|-----------------------------|---|--|---|
| <del>Arizona</del> Arkansas | 0   | 0  | 1   |
| California                  | <del>0</del> 2  | 1  | <del>1</del> 2  |
| <del>Connecticut</del>      | 0   | 0  | 1   |
| Florida                     | 0   | 10   | 21  |
| Georgia                     | 0   | 0  | 2   |
| Illinois                    | 0   | 10   | 32  |
| Iowa                        | 0   | 0  | 2   |
| Kansas                      | 0   | 0  | 1   |
| Kentucky                    | 0   | 1  | 10  |
| Massachusetts               | 0   | 0  | 1   |
| Maryland                    | 0   | 10   | 42  |
| Michigan                    | 0   | 0  | 7   |
| MinnesotaMaine              | 0   | 0  | 1   |
| Mississippi                 | 0   | 1  | 0   |
| New Hampshire               | 0   | 0  | 1   |
| New Jersey                  | 0   | 0  | 31  |
| New York                    | 0   | 10   | 91  |
| North Carolina              | 1   | 0  | 10  |
| North Dakota                | 0   | 0  | 1   |
| Ohio                        | 1   | 0  | 20  |
| Oklahoma                    | 0   | 0  | 1   |
| Pennsylvania                | 0   | 0  | 3   |
| Texas                       | 1   | 1  | 85  |
| <b>Total</b>                | <b>5</b>  | <b>63</b>  | <b>6318</b>   |

The names of all of our franchisees as of 12/31/~~2022~~2023 and the addresses and telephone numbers of their Stores are listed in Exhibit ~~K~~M-1. Franchisees who have signed a franchise agreement with us, but had not yet opened their outlet as of 12/31/2023, are listed separately under the heading “Franchise Agreement Signed—Outlet Not Opened as of 12/31/2023” at the end of Exhibit M-1. We offer an area development agreement, ~~and~~but we currently do not have ~~one~~any area developer, who has an area development agreement to develop two (2) Stores in the Jacksonville, Florida marketdevelopers.

The name, city and state, and the current business telephone number (or, if unknown, the last known home telephone number) of every franchisee who had an outlet terminated, canceled, not renewed, or otherwise voluntarily or involuntarily ceased to do business pursuant to the Franchise Agreement during our most recently completed fiscal year (~~2022~~2023), or who has not communicated with us within 10 weeks of the date of this disclosure document, are listed in Exhibit ~~K~~M-2 of this disclosure document. There are 3547 former franchisees listed in Exhibit ~~K~~M-2 (1711 of which are transfers). If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

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

No trademark-specific franchisee associations are required to be disclosed in this Item.

|

|

## ITEM 21

### FINANCIAL STATEMENTS

The financial statements listed below are attached to this disclosure document and appear in the following order:

- A. Audited Consolidated Financial Statements of GNC Holdings, LLC, as of December 31, 2023 and 2022 and for the years ended December 31, 2023, 2022, and 2021 and period from August 17, 2020 (inception) through December 31, 2020, as follows (See Exhibit LN-1):

Report of Independent Auditors (PricewaterhouseCoopers LLP)

Consolidated Balance Sheets as of December 31, 2022/2023 and December 31, 2021/2022

Consolidated Statements of Operations for the years ended December 31, 2023, 2022 and 2021 and period from August 17, 2020 (inception) through December 31, 2020

Consolidated Statements of Comprehensive (Loss) Income for the years ended December 31, 2023, 2022 and 2021 and period from August 17, 2020 (inception) through December 31, 2020

Consolidated Statements of Member's Equity for the years ended December 31, 2023, 2022 and 2021 and period from August 17, 2020 (inception) through December 31, 2020

Consolidated Statements of Cash Flows for the years ended December 31, 2023, 2022 and 2021 and period from August 17, 2020 (inception) through December 31, 2020

Supplemental Cash Flow Information for the years ended December 31, 2023, 2022 and 2021 and period from August 17, 2020 (inception) through December 31, 2020

Notes to Consolidated Financial Statements

~~We have not been in business for three years or more and cannot include all financial statements required by the FTC Revised Franchise Rule. We include audited balance sheets for our previous two fiscal year ends before the disclosure document issuance date, as required by the FTC Revised Franchise Rule. However, since we only began operating on August 17, 2020, we do not have audited statements of operations, member's equity, and cash flows for the three previous full fiscal years, as required by the FTC Revised Franchise Rule. We do include our audited statements of operations, member's equity, and cash flows for each of the previous two full fiscal years ending December 31, 2022 and 2021, and for the period from August 17, 2020 (inception) through December 31, 2020.~~

- B. Unaudited Consolidated Financial Statements of GNC Holdings, LLC as of and for the three months ended March 31, 2024, as follows (See Exhibit N-2):

Unaudited Consolidated Balance Sheets as of March 31, 2024 and December 31, 2023

Unaudited Consolidated Statements of Operations for the three months ended March 31, 2024 and 2023

Unaudited Consolidated Statements of Comprehensive (Loss) Income for the three months ended March 31, 2024 and 2023

Unaudited Consolidated Statements of Member's Equity for the three months ended March 31, 2024 and 2023

Unaudited Consolidated Statements of Cash Flows for the three months ended March 31, 2024 and 2023

Unaudited Supplemental Cash Flow Information

Notes to Unaudited Consolidated Financial Statements

THESE FINANCIAL STATEMENTS HAVE BEEN PREPARED WITHOUT AN AUDIT. PROSPECTIVE FRANCHISEES OR SELLERS OF FRANCHISES SHOULD BE ADVISED THAT NO INDEPENDENT CERTIFIED PUBLIC ACCOUNTANT HAS AUDITED THESE FIGURES OR EXPRESSED AN OPINION WITH REGARD TO THEIR CONTENT OR FORM.

|

We have adopted the provisions of FASB ASC Topic 606 using the full retrospective method in determining revenue recognition under current standards.

## ITEM 22

### CONTRACTS

The following agreements ~~and other required exhibits~~ are attached to this disclosure document ~~in the pages immediately following:~~

- ~~\_\_\_\_\_ A. List of State Administrators~~
- ~~\_\_\_\_\_ B. Agents for Service of Process~~
- ~~\_\_\_\_\_ C. Table of Contents of Franchise Operations Manual \_\_\_\_\_ 1~~
- ~~\_\_\_\_\_ D. State Addenda to the Disclosure Document~~
- ~~\_\_\_\_\_ E. GNC Holdings, LLC Franchise Agreement ([Exhibit E](#))~~

The following additional contracts or agreements are attached to the Franchise Agreement:

  - ~~a. Definitions for Franchise Agreement (Attachment A)~~
  - ~~b. Personal Covenants (Attachment B)~~
  - ~~c. Franchisee Information (Attachment C)~~
  - ~~d. State Addenda to Franchise Agreement (Attachment D)~~
  - ~~e. Guarantee (Attachment E)~~
  - ~~f. SBA Loan Addendum (for SBA loans only) (Attachment F)~~
  - ~~\_\_\_\_\_ g.- GNC Smoothie Bar Addendum (Attachment G) ([includes addendum for new smoothie bars and addendum](#) for renewals ~~only~~)~~
- ~~\_\_\_\_\_ F2. GNC Holdings, LLC Area Development Agreement ([Exhibit F](#))~~

~~The following additional contracts or agreements are attached to the Area Development Agreement:~~

  - ~~a. Personal Covenants (Exhibit A)~~
  - ~~b. Developer Information (Exhibit B)~~
  - ~~c. Guaranty Agreement (Exhibit C)~~
  - ~~d. State Addenda to Area Development Agreement (Exhibit D)~~
- ~~\_\_\_\_\_ G3. Product Sales Agreement ([Exhibit G](#))~~
- ~~\_\_\_\_\_ H4. Asset Purchase and Sale Agreement ([Exhibit H](#))~~
- ~~\_\_\_\_\_ 5. Sublease ([Exhibit I](#))~~
- ~~\_\_\_\_\_ 6. P.O.S. License Agreement ([Exhibit J](#))~~
- ~~\_\_\_\_\_ J. Confidentiality Statement~~
- ~~\_\_\_\_\_ K. List of Franchisees~~
  - ~~\_\_\_\_\_ K 1. List of Franchisees~~
  - ~~\_\_\_\_\_ K 2. List of Former Franchisees~~
- ~~\_\_\_\_\_ L. Financial Statements~~
  - ~~\_\_\_\_\_ L 1. Audited Consolidated Financial Statements of GNC Holdings, LLC for the years ended December 31, 2022 and 2021 and period from August 17, 2020 (inception) through December 31, 2020~~
- ~~\_\_\_\_\_ M. Subordination Agreement~~
- ~~\_\_\_\_\_ N. List of Training Instructors~~
- ~~\_\_\_\_\_ State Effective Dates Page~~
- ~~\_\_\_\_\_ RECEIPT Pages~~
- ~~\_\_\_\_\_ 7. Form of General Release ([Exhibit K](#))~~

## **ITEM 23**

### **RECEIPTS**

The last 2 pages of this disclosure document are detachable Receipts acknowledging your receipt of this disclosure document. Please sign, date and return 1 copy of the Receipt to us and keep the other copy for your records.

# **EXHIBIT A**

## **List of State Administrators**

Listed here are the names, addresses, and telephone numbers of the state agencies having responsibility for franchising disclosure/registration laws. We may not yet be registered to sell franchises in any or all of these states.

### **CALIFORNIA**

Department of Financial Protection and Innovation  
320 West 4th Street, Suite 750  
Los Angeles, CA 90013-2344  
(213) 576-7500  
1-866-275-2677

### **HAWAII**

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

### **ILLINOIS**

Illinois Attorney General  
c/o Franchise Bureau  
500 South Second Street  
Springfield, IL 62706  
(217) 782-4465

### **INDIANA**

Indiana Secretary of State  
Franchise Division  
302 West Washington Street, Room E-111  
Indianapolis, IN 46204  
(317) 232-6681

### **MARYLAND**

Office of the Attorney General  
Securities Division  
200 St. Paul Place, 20th Floor  
Baltimore, MD 21202-2020  
(410) 576-6360

### **MICHIGAN**

Department of the Attorney General  
Consumer Protection Division  
Franchise Section  
G. Mennen Williams Building, 1st Floor  
525 W. Ottawa St.  
Lansing, MI 48933  
(517) 335-7567

### **NORTH DAKOTA**

Franchise Examiner  
Office of Securities Commissioner  
State Capitol, 14th Floor  
600 East Boulevard Avenue  
Bismarck, ND 58505-0510  
(701) 328-2910

### **OREGON**

Department of Consumer and Business Services  
Division of Finance and Corporate Securities  
Labor & Industries Building  
350 Winter St. NE, Room 410  
Salem, Oregon 97301-3881  
(503) 378-4140

### **RHODE ISLAND**

Department of Business Regulation  
Securities Division  
1511 Pontiac Avenue, Bldg. 68-2  
Cranston, RI 02920  
(401) 462-9527

### **SOUTH DAKOTA**

Department of Labor & Regulation  
Division of Insurance  
Securities Regulation  
124 S. Euclid, 2<sup>nd</sup> Floor  
Pierre, SD 57501  
(605) 773-3563

### **VIRGINIA**

State Corporation Commission  
Division of Securities and Retail Franchising  
1300 East Main Street, 9th Floor  
Richmond, VA 23219  
(804) 371-9051

### **WASHINGTON**

Department of Financial Institutions  
Securities Division  
150 Israel Road S.W.  
Tumwater, WA 98501  
or  
P.O. Box 9033  
Olympia, WA 98507-9033  
(360) 902-8760

**MINNESOTA**

Minnesota Department of Commerce  
85 7th Place East, Suite 280  
Saint Paul, MN 55101  
(651) 539-1600

**WISCONSIN**

Department of Financial Institutions  
Division of Securities  
201 West Washington Avenue, Suite 300  
Madison, WI 53703  
(608) 266-8557

**NEW YORK**

New York State Department of Law  
Office of the Attorney General  
Investor Protection and Securities Bureau  
28 Liberty Street, 21<sup>st</sup> Floor  
New York, NY 10005  
(212) 416-8285

**EXHIBIT B**

**Agents for Service of Process**

**JURISDICTION**

**AGENT AND ADDRESS**

ALABAMA

CT Corporation System  
2 North Jackson Street  
Suite 605  
Montgomery, Alabama 36104

ALASKA

CT Corporation System  
9360 Glacier Highway  
Suite 202  
Juneau, Alaska 99801

ARIZONA

CT Corporation System  
3800 North Central Avenue  
Suite 460  
Phoenix, Arizona 85012

ARKANSAS

CT Corporation System  
124 West Capitol Avenue  
Suite 1900  
Little Rock, Arkansas 72201

CALIFORNIA

Commissioner of Financial Protection  
and Innovation  
Department of Financial Protection  
and Innovation  
2101 Arena Boulevard  
Sacramento, California 95834

and

CT Corporation System  
818 West Seventh Street  
Suite 930  
Los Angeles, California 90017

COLORADO

CT Corporation System  
7700 East Arapahoe Road  
Suite 220  
Centennial, Colorado 80112

CONNECTICUT

CT Corporation System  
67 Burnside Avenue  
East Hartford, Connecticut 06108

DELAWARE

The Corporation Trust System  
1209 Orange Street  
Corporation Trust Center  
Wilmington, Delaware 19801

DISTRICT OF COLUMBIA

CT Corporation System  
1015 15<sup>th</sup> Street, NW  
Washington, D.C. 20005

FLORIDA

CT Corporation System  
1200 South Pine Island Road  
Plantation, Florida 33324

GEORGIA

CT Corporation System  
289 South Culver Street  
Lawrenceville, Georgia 30046

HAWAII

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

and

The Corporation Company, Inc.  
1136 Union Mall  
Suite 301  
Honolulu, Hawaii 96813

IDAHO

CT Corporation System  
921 South Orchard Street  
Suite G  
Boise, Idaho 83705

ILLINOIS

Illinois Attorney General  
500 South Second Street  
Springfield, Illinois 62706

and

CT Corporation System (Chicago)  
208 South LaSalle Street  
Suite 814  
Chicago, Illinois 60604

INDIANA

Indiana Secretary of State  
200 West Washington Street, Room 201  
Indianapolis, Indiana 46204

and

CT Corporation System  
334 North Senate Avenue  
Indianapolis, Indiana 46204-1708

IOWA

CT Corporation System  
400 East Court Avenue  
Suite 110  
Des Moines, Iowa 50309

KANSAS

CT Corporation System  
112 South West Seventh Street  
Suite 3C  
Topeka, Kansas 66603

KENTUCKY

CT Corporation System  
306 West Main Street  
Suite 512  
Frankfurt, Kentucky 40201

LOUISIANA

CT Corporation System  
3867 Plaza Tower Drive  
Baton Rouge, Louisiana 70816

MAINE

CT Corporation System  
128 State Street, #3  
Augusta, Maine 04330

MARYLAND

Maryland Securities Commissioner  
Division of Securities  
200 St. Paul Place  
Baltimore, Maryland 21202-2020

and

The Corporation Trust Incorporated  
2405 York Road  
Suite 201  
Lutherville Timonium, Maryland 21093

MASSACHUSETTS

CT Corporation System  
155 Federal Street  
Boston, Massachusetts 02210

MICHIGAN

Michigan Department of Commerce  
Corporations and Securities Bureau  
6545 Mercantile Way  
Lansing, Michigan 48911

and

The Corporation Company  
40600 Ann Arbor Road East  
Suite 201  
Plymouth, Michigan 48170

MINNESOTA

Commissioner of Commerce  
Minnesota Department of Commerce  
85 7th Place East, Suite 280  
Saint Paul, Minnesota 55101

and

CT Corporation System Inc.  
1010 Dale Street North  
Saint Paul, Minnesota 55117

MISSISSIPPI

CT Corporation System  
645 Lakeland East Drive  
Suite 101  
Flowood, Mississippi 39232

MISSOURI

CT Corporation System  
120 South Central Avenue  
Clayton, Missouri 63105

MONTANA

CT Corporation System  
3011 American Way  
Missoula, Montana 59808

NEBRASKA

CT Corporation System  
5601 South 59<sup>th</sup> Street  
Suite C  
Lincoln, Nebraska 68516

NEVADA

CT Corporation System  
701 South Carson Street  
Carson City, Nevada 89701

NEW HAMPSHIRE

CT Corporation System  
2 1/2 Beacon Street  
Concord, New Hampshire 03301-4447

NEW JERSEY

CT Corporation System  
820 Bear Tavern Road  
West Trenton, New Jersey 08628

NEW MEXICO

CT Corporation System  
205 South Coronado Avenue  
Española, New Mexico 87532

NEW YORK

New York Secretary of State  
99 Washington Avenue  
Albany, New York 12231

and

CT Corporation System  
28 Liberty Street  
New York, New York 10005

NORTH CAROLINA

CT Corporation System  
160 Mine Lake Court  
Suite 200  
Raleigh, North Carolina 27615

NORTH DAKOTA

Securities Commissioner  
State Capitol, 14th Floor  
600 East Boulevard Avenue  
Bismarck, ND 58505-0510

and

CT Corporation System  
120 West Sweet Avenue  
Bismarck, North Dakota 58504

OHIO

CT Corporation System  
4400 Easton Commons Way  
Suite 125  
Columbus, Ohio 43219

OKLAHOMA

The Corporation Company  
1833 South Morgan Road  
Oklahoma City, Oklahoma 73128

OREGON

Director of Department of Consumer  
and Business Services  
Division of Finance and Corporate  
Securities  
350 Winter St. NE, Room 410  
Salem, Oregon 97301

and

CT Corporation System  
780 Commercial Street SE  
Suite 100  
Salem, Oregon 97301

PENNSYLVANIA

CT Corporation System  
600 North 2<sup>nd</sup> Street  
Suite 401  
Harrisburg, Pennsylvania 17101

RHODE ISLAND

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

and

CT Corporation System  
450 Veterans Memorial Parkway  
Suite 7A  
East Providence, Rhode Island 02914

SOUTH CAROLINA

CT Corporation System  
2 Office Park Court  
Suite 103  
Columbia, South Carolina 29223

SOUTH DAKOTA

Director  
Department of Labor & Regulation  
Division of Insurance  
Securities Regulation  
124 S. Euclid, 2<sup>nd</sup> Floor  
Pierre, South Dakota 57501

and

CT Corporation System  
319 South Coteau Street  
Pierre, South Dakota 57501

TENNESSEE

CT Corporation System  
300 Montvue Road  
Knoxville, Tennessee 37919

TEXAS

CT Corporation System  
1999 Bryan Street  
Suite 900  
Dallas, Texas 75201

UTAH

CT Corporation System  
1108 East South Union Avenue  
Midvale, Utah 84047

VERMONT

CT Corporation System  
17 G W Tatro Drive  
Jeffersonville, Vermont 05464

VIRGINIA

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

and

CT Corporation System  
4701 Cox Road  
Suite 285  
Glen Allen, Virginia 23060

WASHINGTON

Director of Financial Institutions  
Department of Financial Institutions  
Securities Division  
150 Israel Rd. SW  
Tumwater, Washington 98501

and

CT Corporation System  
711 Capitol Way South  
Suite 204  
Olympia, Washington 98501

WEST VIRGINIA

CT Corporation System  
1627 Quarrier Street  
Charleston, West Virginia 25311-2124

WISCONSIN

Administrator, Division of Securities  
Department of Financial Institutions  
201 West Washington Avenue, Ste. 300  
Madison, Wisconsin 53703

and

CT Corporation System  
301 South Bedford Street  
Suite 1  
Madison, WI 53703

WYOMING

CT Corporation System  
1908 Thomes Avenue  
Cheyenne, Wyoming 82001

# EXHIBIT C

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# Franchise Operations Manual

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The total number of pages in the Franchise Operations Manual is ~~441~~422 pages.

~~04/27/2023~~06/21/2024

## **EXHIBIT D**

### **State Addenda to the Disclosure Document**

**STATE OF CALIFORNIA  
ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT**

In recognition of the requirements of the California Franchise Investment Law (§ 31000, et seq., of the California Corporations Code) and the California Franchise Relations Act (§ 20000 of the California Business and Professions Code), the following additional disclosures are added to this disclosure document:

1. 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.

2. See the cover page of this disclosure document for our website address. 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 at [www.dfpi.ca.gov](http://www.dfpi.ca.gov).

3. Item 3, Additional Disclosures. The following is added to Item 3:

Neither we nor any person identified in Item 2 of this disclosure document 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 registration of the 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 Exchange Act of 1934, 15 U.S.C.A. 78a et seq., suspending or expelling such persons from membership in that association or exchange.

4. Item 17, Additional Disclosures. The following is added to Item 17:

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

You must sign a general release if you relocate, renew or transfer your franchise. California Corporations Code §31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code §§31000 through 31516). California Business and Professions Code §20010 voids a waiver of your rights under the Franchise Relations Act (California Business and Professions Code §§20000 through 20043).

The Franchise Agreement and the Development Agreement provide for termination upon bankruptcy. This provision may not be enforceable under federal bankruptcy law (11 U.S.C.A. Sec. 101 et seq.).

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

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

The Franchise Agreement and the Development Agreement require application of the laws of Pennsylvania. This provision may not be enforceable under California law.

The Franchise Agreement and the Development Agreement require binding arbitration. The arbitration will occur in Pittsburgh, Pennsylvania with each party responsible for costs as determined by the arbitrators. These provisions may not be enforceable under California law.

The Franchise Agreement and Development Agreement require that any action be commenced in Pennsylvania in a court in the judicial district in which we have our principal place of business and that you must irrevocably submit to the jurisdiction of such courts. This provision may not be enforceable under California law.

We will not enforce in California the prohibition on franchisee employing or soliciting for employment any current or former employee of ours or our affiliates (also known as a no-poach/non-solicitation provision) contained in Section 22.B. of the Franchise Agreement and Section 13.2 of the Development Agreement, and that is disclosed in Item 17, row r. of the disclosure document.

5. 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 restricting venue to a forum outside the State of California.

6. Section 31125 of the California Corporations Code requires us to give you a disclosure document, in a form containing the information that the commissioner may by rule or order require, before a solicitation of a proposed material modification of an existing franchise.

7. The highest interest rate allowed by law in California is 10% annually.

8. Section 31512.1 of the California Corporations Code voids any provision of a franchise agreement, franchise disclosure document, acknowledgment, questionnaire, or other writing, including any exhibit thereto, disclaiming or denying any of the following: (a) representations made by the franchisor or its personnel or agents to a prospective franchisee; (b) reliance by a franchisee on any representations made by the franchisor or its personnel or agents; (c) reliance by a franchisee on the franchise disclosure document, including any exhibit thereto; and (d) violations of any provision of the Franchise Investment Law (California Corporations Code §§31000 through 31516).

9. 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.

10. **The financial performance representations in Item 19 do not reflect the costs of sales, operating expenses, or other costs or expenses that must be deducted from the gross revenue or gross sales figures to obtain your net income or profit. You should conduct an independent investigation of the costs and expenses you will incur in operating your franchised business. Franchisees or former franchisees, listed in the disclosure document, may be one source of this information.**

11. **The registration of this franchise offering by the California Department of Financial Protection and Innovation does not constitute approval, recommendation, or endorsement by the commissioner.**

**STATE OF HAWAII  
ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT**

THESE FRANCHISES WILL BE/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 DISCLOSURE DOCUMENT, 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 AND THE DEVELOPMENT 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.

The Franchise Agreement and the Development Agreement contain provisions requiring a general release as a condition of relocation, renewal and transfer of a franchise. Such release will exclude claims arising under the Hawaii Franchise Investment Law.

The Sections in the Franchise Agreement and the Development Agreement that relate to non-renewal, termination and transfer are only applicable to the extent they are not inconsistent with the Hawaii Franchise Investment Law. In the event of an inconsistency, the Hawaii Franchise Investment Law will control.

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.

**STATE OF ILLINOIS**  
**ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT**

In recognition of the Illinois Franchise Disclosure Act of 1987 (the “Act”), the following additional disclosures are added to this disclosure document:

1. The following shall be added to Item 17:

**Sec. 705/4.** Any provision in a franchise agreement that designates jurisdiction or venue in a forum outside of Illinois is void provided that a franchise agreement may provide for arbitration in a forum outside of Illinois.

**Sec. 705/41.** Any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with any provision of the Illinois Franchise Disclosure Act or any other law of Illinois is void. This Section shall not prevent any person from entering into a settlement agreement or executing a general release regarding a potential or actual lawsuit filed under any of the provisions of the Illinois Franchise Disclosure Act, nor shall it prevent the arbitration of any claim pursuant to the provisions of Title 9 of the United States Code.

2. Illinois law governs the franchise agreement(s).
3. Franchisees’ rights upon termination and non-renewal are set forth in Sections 19 and 20 of the Illinois Franchise Disclosure Act.
4. 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.

**STATE OF INDIANA  
ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT**

The Sections in the Franchise Agreement and the Development Agreement that relate to termination, non-renewal, governing law, venue for arbitration or litigation, modification, covenants not to compete and any limitations period for bringing claims are only applicable to the extent they are not inconsistent with or prohibited by Indiana law. Indiana law will control to the extent of any inconsistency or prohibition.

The Franchise Agreement and the Development Agreement contain provisions requiring a general release as a condition of relocation, renewal and transfer of a franchise. Such release will exclude claims arising under the Indiana Deceptive Franchise Practices Act.

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.

**STATE OF MARYLAND  
ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT**

The following is added to Item 17 of the Franchise Disclosure Document:

The general release required as a condition of relocation, renewal, sale and/or assignment or transfer will not apply to any liability arising under the Maryland Franchise Registration and Disclosure Law. A copy of the form of general release required by the Franchise Agreement and the Development Agreement is attached to this Addendum as Schedule A.

You may sue in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

Any claims arising under the Maryland Franchise Registration and Disclosure Law may be brought within 3 years after the grant of your franchise.

The Franchise Agreement and Area Development Agreement provide that disputes are resolved through arbitration. A Maryland franchise regulation states that it is an unfair or deceptive practice to require a franchisee to waive its right to file a lawsuit in Maryland claiming a violation of the Maryland Franchise Registration and Disclosure Law. In light of the Federal Arbitration Act, there is some dispute as to whether this forum selection requirement is legally enforceable.

No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming 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.

We will defer your payment of initial franchise fees and other initial payments owed to us until such time as we have satisfied all of our pre-opening obligations to you under the Franchise Agreement and your franchised business is open. If you enter into a Development Agreement with us, all development fees and initial payments by you shall be deferred until the first franchise under the Area Development Agreement opens. The Maryland Attorney General's Office imposed this deferral requirement.

**SCHEDULE A TO  
STATE OF MARYLAND  
ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT**

The following is our current form of general release form that we expect to include in a release that a franchisee and/or transferor may sign as part of a renewal or an approved transfer. We may, in our sole discretion, periodically modify the release.

**GENERAL RELEASE**

\_\_\_\_\_For and in consideration of the Franchise Agreement dated \_\_\_\_\_, «AgmtDate» (the “Franchise Agreement”), between the undersigned and GNC Holdings, LLC (“Franchisor”), and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the undersigned, individually and each for themselves, their respective corporate parents, subsidiaries, affiliates, successors in interest, heirs and assigns, and each of their respective shareholders, members, managers, partners, directors, officers, agents, servants, and employees, as applicable representatives, administrators, heirs, successors and assigns, whether specifically mentioned herein or not, including, without limitation, any entity or enterprise in which the undersigned, directly or indirectly, owns an equity or profits interest or controls (the “Releasing Parties” and, individually, a “Releasing Party”), do each hereby forever release, acquiesce, and forever discharge Franchisor and each of, its respective predecessors, successors and assigns, parents, subsidiaries, affiliates, and successors in interest affiliated entities, and each of their respective managers, members, shareholders, directors, officers, employees, agents, servants, employees and representatives, past and present, and all other persons acting by, through, under or in concert with any of them and whether specifically mentioned herein or not (the “Released Parties” and, individually, a “Released Party”), of and from any and all liability claims, demands, actions, causes of action, claim suits, disputes, debts, demands, dues, duties, sums of money, accounts, reckonings, covenants, contracts, agreements, promises, damages, and liabilities to person(s) or property judgments, extents, executions, costs, expenses, (including, without limitation court costs and attorneys’ fees) and compensation liabilities and obligations, of every nature, kind and character whatsoever, whether known or unknown, foreseen or unforeseen, suspected or unsuspected, direct, indirect, contingent or actual, liquidated or unliquidated, whether in contract or in tort (“collectively, “Claims”) which the Releasing Parties or any one of them ever had, now have, own, hold or claim to which they hereafter can, shall, or may have, own or hold or at anytime heretofore had, owned or held, against the Released Parties or any of them, now for, upon, or at by reason of, any time awarded to the undersigned and matter, cause or thing whatsoever from the inception of any contact with any Released Party beginning of the world to the date of this General Release.

Without limiting the generality of the foregoing, but by way of example only, the foregoing release shall apply to any and all state or federal antitrust claims or causes of action; state or federal securities law claims or causes of action; state or federal RICO claims or causes of action; breach of contract claims or causes of action; claims or causes of action based on misrepresentation or fraud; breach of fiduciary duty; unfair trade practices (state or federal); and all other claims and causes of action whatsoever.

The undersigned (and each of them) further agree for themselves and for their successors and assigns, to indemnify and hold harmless forever, the Released Parties, against any and all claims or actions which hereafter may be brought or instituted against any or all of them, or their successors and assigns, by or on behalf of anyone claiming under rights derived from the undersigned, or any of them, and arising out of or incidental to the matters to which this General Release applies.

The undersigned agree that this General Release is not intended nor shall it be construed as an admission of any wrongdoing or liability and that it shall not be admissible in evidence in any suit or proceeding whatsoever as evidence or admission of any liability.

Any individual who signs this General Release in a representative capacity for a corporation, limited liability company or other entity that is a party to this General Release hereby represents and warrants that he or she is duly authorized by action of such corporation, limited liability company or other entity to execute this release on its behalf.

With respect to the matters hereinabove released, the undersigned knowingly waive all rights and protection, if any, under Section 1542 of the California Civil Code, or under any similar law of any state or territory of the United States of America. Section 1542 provides as follows:

General Release: Extent. A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release, and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party.

The undersigned acknowledges there is a risk that, after the ~~date hereof~~execution of this General Release, the undersigned will discover, incur, or suffer claims which are unknown or unanticipated at the time of execution of this General Release and which, if known by the undersigned ~~on~~at the date hereof~~time of execution~~, may have materially affected the undersigned's decision to execute this General Release. Nevertheless, the undersigned agrees that the undersigned intends to assume, and is assuming, the risk of such unknown or unanticipated Claims, and that the Releasing Parties' release of the Released Parties set forth in this General Release shall apply to any and all such Claims. Neither the undersigned nor any other Releasing Party has assigned, transferred or purported to assign or transfer to any other person or entity any of the Claims or any portion thereof or interest therein and agrees to indemnify, defend and hold the Released Parties harmless from and against any and all Claims based on or arising out of any such assignment or transfer or purported assignment or transfer.

~~The undersigned represents and warrants that it intends to be legally bound by this General Release, that the execution of this General Release is free and voluntary, that no inducements, threats, presentations, or influences of any kind were made or exerted by or on behalf of Franchisor, and that, prior to the execution hereof, the undersigned was given the opportunity, if desired, to consult with counsel.~~ This General Release shall be binding upon the undersigned, and the other Releasing Parties, and their heirs, successors and legal representatives. This General Release excludes Claims arising from any representations in the ~~Franchisor's~~ Franchise Disclosure Document, or its exhibits or amendments, provided by Franchisor to the undersigned in connection with the Franchise Agreement. This General Release is not intended as a waiver of those rights of the undersigned which cannot be waived under applicable state franchise laws nor is it intended to release any Released Party from ~~any~~liability, if any, imposed by the Maryland Franchise Registration and Disclosure Law. This General Release shall be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania without regard to its conflicts of law provisions.

**It is the express intention of the undersigned and Franchisor that this General Release be as broad as permitted by law.**

\_\_\_\_\_

IN WITNESS WHEREOF, the undersigned have duly executed and delivered this General Release  
as of ~~this~~ \_\_\_\_\_, «LongDate».

WITNESS: \_\_\_\_\_

By: \_\_\_\_\_  
\_\_\_\_\_ ENTITY: \_\_\_\_\_

\_\_\_\_\_ «Entity»  
\_\_\_\_\_ Franchisee

\_\_\_\_\_ By: \_\_\_\_\_  
\_\_\_\_\_ «Fran1»  
\_\_\_\_\_ «Title1»

\_\_\_\_\_ By: \_\_\_\_\_  
\_\_\_\_\_ «Fran2»  
\_\_\_\_\_ «Title2»

\_\_\_\_\_ INDIVIDUAL(S):  
\_\_\_\_\_ Signature: \_\_\_\_\_  
\_\_\_\_\_ «Fran1», individually

\_\_\_\_\_ Signature: \_\_\_\_\_  
\_\_\_\_\_ «Fran2», individually

~~Print Name:~~ \_\_\_\_\_

By: \_\_\_\_\_  
\_\_\_\_\_

~~Print Name:~~ \_\_\_\_\_

**STATE OF MINNESOTA  
ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT**

The following applies to prospective franchisees governed by Minnesota law and supplement the Items to which they refer and supersede anything inconsistent with them in the text of this disclosure document.

A. Item 13. Per Minnesota Statutes, Section 80C.12, Subdivision 1(g), Minnesota considers it unfair for us not to protect your right to use the trademarks listed in Item 13. We will protect your rights to use those trademarks, and any other trademarks, service marks, trade names, logo types or other commercial symbols we may license you to use, or indemnify you from any loss, cost or expenses arising out of any claim, suit or demand regarding the use of those marks.

B. Item 17. With respect to franchises governed by Minnesota law, we will comply with Minnesota Statutes Section 80C.14, Subdivisions 3, 4 and 5, which require (except in certain specified cases) (1) 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 (2) that consent to the transfer of the franchise will not be unreasonably withheld.

C. State Cover Page and Item 17. Minnesota Statutes, Section 80C.21 and Minnesota Rule 2860.4400J prohibit us from requiring litigation or arbitration to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring you to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the disclosure document or any agreement can abrogate or reduce (1) any of your rights as provided for in Minnesota Statutes, Chapter 80C, or (2) your rights to any procedure, forum or remedies provided for by the laws of the jurisdiction.

Minnesota Rule 2860.4400D prohibits us from requiring you to assent to a release, assignment, novation or waiver that would relieve any person from liability under Minnesota Statutes 80C.01 through 80C.22. The Franchise Agreement and the Development Agreement contain provisions requiring a general release as a condition of relocation, renewal or transfer of a franchise. Such release will exclude claims arising under Minnesota Statutes 80C.01 through 80C.22. In addition, no representation or acknowledgment by you in the Franchise Agreement or the Development Agreement is intended to or shall act as a release, assignment, novation or waiver that would relieve any person from liability under Minnesota Statutes 80C.01 through 80C.22.

You cannot consent to us obtaining injunctive relief. We may seek injunctive relief. See Minnesota Rule 2860.4400J. Also, a court will determine if a bond is required.

Any limitations of claims sections must comply with Minnesota Statutes, Section 80.17, Subdivision 5.

**Registration of this franchise does not constitute approval or recommendation of the franchise by the Minnesota Commissioner of Commerce.**

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.

**STATE OF NEW YORK  
ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT**

1. The following information is added to the state 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 SOURCES OF 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 THE FRANCHISE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND NEW YORK STATE DEPARTMENT OF LAW, OFFICE OF THE ATTORNEY GENERAL, INVESTOR PROTECTION AND SECURITIES BUREAU, 28 LIBERTY STREET, 21ST FLOOR, NEW YORK, NEW YORK 10005. 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 otherwise provided herein, with regard to the franchisor, its predecessor, a person identified in Item 2, or an affiliate offering franchises under the franchisor's principal trademark:

A. No such party has an administrative, criminal or civil action pending against that person alleging: a felony, a violation of a franchise, antitrust, or securities law, fraud, embezzlement, fraudulent conversion, misappropriation of property, unfair or deceptive practices, or comparable civil or misdemeanor allegations.

B. No such party has pending actions, other than routine litigation incidental to the business, which are significant in the context of the number of franchisees and the size, nature or financial condition of the franchise system or its business operations.

C. No such party has been convicted of a felony or pleaded nolo contendere to a felony charge or, within the 10-year period immediately preceding the application for registration, has been convicted of or pleaded nolo contendere to a misdemeanor charge or has been the subject of a civil action alleging: violation of a franchise, antifraud, or securities law; fraud; embezzlement; fraudulent conversion or misappropriation of property; or unfair or deceptive practices or comparable allegations.

D. No such party is subject to a currently effective injunctive or restrictive order or decree relating to the franchise, or under a Federal, State, or Canadian franchise, securities, antitrust, trade regulation or trade practice law, resulting from a concluded or pending action or proceeding brought by a public agency; or is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities and Exchange Act of 1934, suspending or expelling such person from membership in such association or exchange; or is subject to a currently effective injunctive or restrictive order relating to any other business activity as a result of an action brought by a public agency or department, including, without limitation, actions affecting a license as a real estate broker or sales agent.

3. The following is added to the end of Item 4:

Except as provided above, neither the franchisor, its affiliate, its predecessor, officers, or general partner during the 10-year period immediately before the date of the franchise disclosure document: (a) filed as debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code; (b) obtained a discharge of its debts under the bankruptcy code; or (c) was a principal officer of a company or a general partner in a partnership that either filed as a debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code or that obtained a discharge of its debts under the U.S. Bankruptcy Code during or within 1 year after that officer or general partner of the franchisor held this position in the company or partnership.

4. The following is added to the end of Item 5:

The initial franchise fee constitutes part of our general operating funds and will be used as such in our discretion.

5. 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), titled “**Conditions for franchisor approval of transfer**”:

However, to the extent required by applicable law, all rights you enjoy and any causes of action arising in your favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued thereunder shall remain in force; it being the intent of this proviso that the non-waiver provisions of General Business Law Sections 687.4 and 687.5 be satisfied.

6. The following language replaces the “Summary” sections of Item 17(d), titled “**Termination by franchisee**” and “**Termination by area developer**”:

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

7. The following is added to the end of the “Summary” section of Item 17(j), titled “**Assignment of contract by franchisor**”:

However, no assignment will be made except to an assignee who in good faith and judgment of the franchisor, is willing and financially able to assume the franchisor’s obligations under the Franchise Agreement and Area Development Agreement.

8. 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 or area developer by Article 33 of the General Business Law of the State of New York.

9. The Franchise Agreement and Area Development Agreement contain provisions requiring a general release as a condition of relocation, renewal and transfer of a franchise. Such release will exclude claims arising under Article 33, Sections 680 through 695, of the General Business Law of the State of New York and regulations issued thereunder.

10. No representation or acknowledgment by the Franchisee in the Franchise Agreement or the Area Franchisee in the Area Development Agreement is intended to or shall act as a release, assignment, novation, waiver or estoppel which would relieve a person from any duty or liability imposed by Article

33, Sections 680 through 695, of the General Business Law of the State of New York and the regulations issued thereunder.

11. 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.

**STATE OF NORTH DAKOTA  
ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT**

The Securities Commissioner for the State of North Dakota has held the following to be unfair, unjust or inequitable to North Dakota franchisees (Section 51-19-09, N.D.C.C.):

- 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 Proceedings: Franchise agreements providing that the parties must agree to the arbitration of the disputes at a location that is remote from the site of the franchisees' business.
- C. Restrictions 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 they are to 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 & Punitive Damages: Requiring North Dakota franchisees to consent to a waiver of exemplary and punitive damages.
- H. General Release: Franchise Agreements that require the franchisee to sign a general release upon renewal of the franchise agreement.
- I. Limitation of Claims: Franchise Agreements that require the franchisee to consent to a limitation of claims. The statute of limitations under North Dakota law applies.
- J. Enforcement of Agreement: Franchise Agreements that require the franchisee 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.

Covenants restricting competition in the Franchise Agreement and the Development Agreement may be subject to Section 9-08-06 of the North Dakota Century Code.

Although the Franchise Agreement and the Development Agreement require arbitration to be conducted in Pittsburgh, Pennsylvania, we agree that the place of arbitration will be a location that is in close proximity to the site of your business.

Although the Franchise Agreement and the Development Agreement require certain litigation to be instituted in a court in to the state where our principal place of business is located, you may institute litigation in any court of competent jurisdiction located in the State of North Dakota.

Although the Franchise Agreement and the Development Agreement provide that they will be governed by, and construed, interpreted and enforced in accordance with the laws of the Commonwealth of Pennsylvania, the laws of the State of North Dakota will govern the Franchise Agreement and the Development Agreement and their construction, interpretation and enforcement.

The sections in the Franchise Agreement and the Development Agreement that relate to waiver of jury trial and liquidated damages shall not apply to franchises governed by North Dakota law.

To the extent any provision of the Franchise Agreement or the Development Agreement require you to consent to a waiver of exemplary or punitive damages, these provisions will be deemed null and void.

The requirement in the Franchise Agreement and the Development Agreement that a general release be signed as a condition of relocation, renewal and transfer shall not apply to the extent unenforceable under the laws of North Dakota.

The Sections in the Franchise Agreement and the Development Agreement that relate to limitations of claims and payment of costs and expenses of enforcement of the Franchise Agreement and the Development Agreement are only applicable to the extent they are not inconsistent with the North Dakota Franchise Investment Law and related rules and regulations. In the event of an inconsistency, the North Dakota Franchise Investment Law and related rules and regulations will control.

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.

**STATE OF RHODE ISLAND  
ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT**

Notwithstanding anything to the contrary set forth in Item 17 or elsewhere in the disclosure document, the following provisions will supersede and apply:

Section 19-28.1-14 of the Rhode Island Franchise Investment Act provides that “[a] provision in a franchise agreement restricting jurisdiction or venue to a forum outside this state [Rhode Island] or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under this Act.”

Section 19-28.1-15 of the Rhode Island Franchise Investment Act provides that “[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 this Act or a rule or order under this 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 this Act or a rule or order under this Act. This section shall not affect the settlement of disputes, claims or civil lawsuits arising or brought under this Act.”

The Franchise Agreement and the Development Agreement contain provisions requiring a general release as a condition of relocation, renewal and transfer of a franchise. Such release will exclude claims arising under the Rhode Island Franchise Investment Act.

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.

**STATE OF SOUTH DAKOTA  
ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT**

South Dakota Codified Laws, Title 37, Chapter 37-5B (Franchise Investment), Sections 37-5B-1 through 37-5B-53) provides that 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 the chapter or a rule or order thereunder is void.

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

**STATE OF VIRGINIA  
ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT**

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.

In recognition of the restrictions contained in Section 13.1-564 of the Virginia Retail Franchising Act, the Franchise Disclosure Document for GNC Holdings, LLC for use in the Commonwealth of Virginia shall be amended as follows:

Additional Disclosure. The following statements are added to Item 17.h. and Item 17.i.

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

**STATE OF WASHINGTON  
ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT**

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

The state of Washington has a statute, RCW 19.100.180 which may supersede the franchise agreement or the development agreement in your relationship with us including the areas of termination and renewal of your franchise or agreement. There may also be court decisions which may supersede the franchise agreement or the development agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise or agreement.

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

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

Transfer fees are collectible to the extent that they reflect our reasonable estimated or actual costs in effecting a transfer.

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

RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor, or (ii) soliciting or hiring any employee of the franchisor. As a result, any such provisions contained in the franchise agreement or elsewhere are void and unenforceable in Washington.

If franchisee enters into a single-unit Franchise Agreement, in lieu of an impound of franchise fees, the franchisor will not require or accept the payment of any initial franchise fees until the franchisee (a) has received all pre-opening obligations that it is entitled to under the Franchise Agreement and Franchise Disclosure Document provided to Franchisee, and (b) is open for business. If franchisee enters into a Development Agreement, in lieu of an impound of franchise fees, the franchisor will not require or accept the payment of any development fees or initial franchise fees relating to the particular GNC Store being developed thereunder until the franchisee, with respect to such GNC Store being developed thereunder (a)

**WASHINGTON**

has received all pre-opening obligations that it is entitled to under the applicable Franchise Agreement and Franchise Disclosure Document provided to Franchisee, and (b) has opened such GNC Store. For avoidance of doubt, any fees paid by franchisee in connection with the Development Agreement will be collected proportionally with respect to each Store opened thereunder.

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.

# **EXHIBIT E**

## **Franchise Agreement**

**GNC HOLDINGS, LLC**  
**FRANCHISE AGREEMENT**

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ATTACHMENT A – DEFINITIONS

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ATTACHMENT F – SBA LOAN ADDENDUM (for SBA Loans only)

ATTACHMENT G – GNC SMOOTHIE BAR ADDENDUM (FOR RENEWALS ONLY)

**SELECTED TERM SUMMARY**

|                                   |  |  |
|-----------------------------------|--|--|
| Agreement Date:                   | _____  |  |
| Franchisor:                       | GNC Holdings, LLC  |  |
| Franchisee:                       | _____  | <u>Franchise Agreement</u><br><u>Section Reference</u> |
| GNC Store Location/Address:       | _____<br>_____   | Section 6.   |
| Protected Territory:              | _____  | Section 6.D.   |
| Protective Period:                | One (1) year from Store Opening Date <sup>1</sup>  | Section 6.D.   |
| Franchise Term:                   | <input type="checkbox"/> Initial Term<br><input type="checkbox"/> Renewal Term<br><input type="checkbox"/> Transfer Term       | Section 3.   |
| Franchise Term Expiration Date:   | _____  |  |
| Initial Franchise Fee:            | _____ Dollars (\$_____)  | Section 4.A.   |
| Renewal Fee:                      | _____ Dollars (\$_____)  | Section 19.  |
| Transfer Fee:                     | _____ Dollars (\$_____)  | Section 18.B.(ii)(1)                                   |
| Royalty Fee:                      | Six Percent (6%) of Gross Sales  | Section 4.C.   |
| Advertising Fee:                  | Three Percent (3%) of Gross Sales  | Section 4.D.   |
| Designated Principal(s)           | _____<br>_____<br>_____  | Section 10.  |
| Date of Transfer (if applicable): | _____  | Section 3.C.   |
| Transfer Term:                    | <input type="checkbox"/> 5-year term<br><input type="checkbox"/> Transferor's remaining term<br><input type="checkbox"/> _____ | Section 3.C.   |
| Transfer Term Expiration Date:    | _____  | Section 3.C.   |

This Selected Term Summary is a part of and incorporated by reference into the Franchise Agreement between Franchisor and Franchisee attached hereto. In the event of a conflict between the Selected Term Summary information and the Franchise Agreement, the Franchise Agreement shall control.

<sup>1</sup> The Protective Period does only apply during the Initial Term. It will not apply restart or be extended for a Renewal Term or Transfer Term, but the right of first refusal pursuant to Section 6.D. will apply for a Renewal Term or Transfer Term.

## FRANCHISE AGREEMENT

THIS FRANCHISE AGREEMENT (this “Agreement”) is made and entered into as of the \_\_\_ day of \_\_\_\_\_, 20\_\_ (the “Agreement Date”) between GNC Holdings, LLC, a Delaware limited liability company, with its principal office at 75 Hopper Place, Suite ~~500~~501, Pittsburgh, Pennsylvania 15222 (“Franchisor” or “GNC”), and \_\_\_\_\_, a \_\_\_\_\_ (“Franchisee”).

### Statement of Intentions

A. Franchisor, as the result of the expenditure of substantial time, skill, effort and money, has developed and owns a unique and comprehensive System relating to the opening and operation of GNC Stores which sell the Products and operate under the Proprietary Marks.

B. Franchisee desires to enter into the business of operating a GNC Store under the System and wishes to obtain a franchise from Franchisor for that purpose, as well as to receive the benefit of the training and other assistance provided by Franchisor. Franchisee acknowledges that it has conducted an independent investigation of the business contemplated by this Agreement and recognizes that an investment in a GNC Store involves business risks and that the success of the Store is largely dependent on Franchisee’s own business abilities and efforts.

C. Franchisee recognizes that franchising is a method of distributing goods or services in a consistent manner and that the customer expects a similar shopping experience at a franchised business, regardless of its location or operator. By signing this Agreement, Franchisee acknowledges the importance of these concepts. Franchisee recognizes that a uniform presentation of the GNC image is critical to the customer’s perception of the GNC System, and Franchisee agrees to contribute to that perception by operating the Franchised Business in compliance with this Agreement and the GNC System.

D. Franchisee agrees that the GNC System is subject to modification from time to time based on changes in technology, competitive circumstances, customer expectations, and other market variables. Those changes to the GNC System may include changes in operating standards, products, pricing, programs, services, methods, forms, policies and procedures; changes in the design and appearance of the building, signage and equipment; and changes to the Proprietary Marks.

E. Based on the foregoing, Franchisor is willing to grant Franchisee the right to operate a GNC Store, all subject to the terms and conditions set forth in this Agreement.

NOW, THEREFORE, in consideration of the foregoing and the mutual undertakings and commitments set forth in this Agreement, the parties agree as follows:

1. DEFINITIONS. Capitalized terms used in this Agreement and not otherwise defined herein shall have the meanings given to them in Attachment A.

2. GRANT OF LICENSE.

A. Grant of License. Franchisor grants to Franchisee the right and license to operate, during the Franchise Term, one GNC Store at the Approved Location and to use solely in connection therewith the Proprietary Marks and the System. Franchisee acknowledges that the license granted by Franchisor is expressly subject to the terms and conditions of this Agreement and is limited to the Franchise Term. Franchisee agrees to use the Proprietary Marks and the System, as they are changed, improved and further developed by Franchisor from time to time.

B. Direct Marketing Restriction. Franchisee may solicit and sell to any customers at the Approved Location, provided, however, that Franchisee acknowledges that the license granted herein is limited to the operation of a retail GNC Store for sales only at the Approved Location. Unless specifically permitted by Franchisor in writing, Franchisee shall not operate a mail order, direct mail, catalog, telemarketing, wholesale, exporting, distribution, direct sales, direct marketing or similar business, including through the use of the Internet, including through eBay or social media and social networking sites such as Twitter and Facebook, which permits customers to purchase and receive products or services without being present at the Approved Location. Franchisor may, in its sole discretion, permit Franchisee to maintain a social media presence for the Store, provided that Franchisee, and its Affiliates, employees, and store associates comply at all times with any requirements and guidelines established by Franchisor regarding social media accounts. Franchisee acknowledges that Franchisor, and its Affiliates, and other franchisees and licensees, also may solicit and sell to any customers wherever located. Franchisee shall have no rights to such sales by Franchisor, its Affiliates or other franchisees or licensees. For purposes of this Agreement, “wholesale ~~business~~” or “wholesaling” shall mean when the Franchisee sells, transfers or conveys, or transacts to sell, transfer or convey, Products to any person or entity that it knows, should know or has reason to suspect will resell such Products; provided that it shall not mean bona fide transfers of Products between GNC franchisees made in the ordinary course of business from a retail GNC Store and which allow a franchisee to satisfy the legitimate needs of a retail customer. Franchisor may, in its sole discretion, allow Franchisee to sell Products outside of the Approved Location (e.g., at certain events held away from the Store), but Franchisee must receive prior written approval from Franchisor before making Product sales outside of the Approved Location, which approval may contain specific conditions or restrictions.

C. Retained Rights. The license granted to Franchisee is expressly limited to the terms of Section 2.A. Franchisor and its Affiliates retain all other rights, including the Retained Rights, without any liability whatsoever to Franchisee and without granting Franchisee any rights therein.

3. FRANCHISE TERM. The Franchise Term shall be as follows:

A. Initial Term. If this is the Initial Term, as indicated on the Selected Term Summary, the Franchise Term shall commence on the Store Opening Date and end on the fifth (5<sup>th</sup>) anniversary of the Store Opening Date. Franchisee acknowledges that, although the Initial Term does not commence until the Store Opening Date, Franchisee’s obligations under this Agreement commence on the Agreement Date, except to the extent that those obligations expressly relate to the period after the Store Opening Date. Notwithstanding the foregoing, if Franchisee is leasing or subleasing the Store premises, and the remaining term of the lease or sublease is shorter than ~~five (5) years~~the Initial Term, then Franchisor may, in its sole discretion, adjust the Initial Term of this Agreement to match the term of the lease or sublease. In such case, Franchisor may, in its sole discretion, charge an Initial Franchise Fee that is less than the fee that would otherwise be charged to Franchisee for the Initial Term.

B. Renewal Term. If this is a Renewal Term, as indicated on the Selected Term Summary, the Franchise Term shall commence on the expiration date of the Initial Term, the immediately preceding Renewal Term, or the Transfer Term, as the case may be (the “Renewal Commencement Date”), and end on the fifth (5<sup>th</sup>) anniversary of the Renewal Commencement Date. Notwithstanding the foregoing, if Franchisee is leasing or subleasing the Store premises, and the remaining term of the lease or sublease is shorter than ~~five (5) years~~the Renewal Term, then Franchisor may, in its sole discretion, adjust the Renewal Term of this Agreement to match the term of the lease or sublease. In such case, Franchisor may, in its sole discretion, charge a Renewal Fee that is less than the fee that would otherwise be charged to Franchisee for the Renewal Term.

C. Transfer Term. This Section 3.C. shall apply if this Agreement is being executed by a transferee Franchisee in connection with a Transfer of the Store. The Franchise Term for the Franchisee shall be, at the sole option of Franchisor, either the current full franchise term being offered to new franchisees, a term equal to the remaining franchise term of the transferor, or a term equal to the remaining lease term for the Store premises, as indicated in the Selected Term Summary. If this is a Transfer Term, the Franchise Term shall commence on the Date of Transfer indicated in the Selected Term Summary and end on the Transfer Term Expiration Date indicated in the Selected Term Summary. If the resulting Franchise Term is less than the current full franchise term being offered to franchisees, Franchisor may, in its sole discretion, charge a Transfer Fee that is less than the fee that would otherwise be charged to Franchisee for the Transfer Term.

D. Rights Upon Expiration or Termination. Franchisee shall have no right to operate the Franchised Business or to use the System or the Proprietary Marks under this Agreement after the expiration of the Franchise Term or following any termination of this Agreement prior to the expiration of the Franchise Term.

4. FEES.

A. Initial Franchise Fee. If this is the Initial Term, Franchisee shall pay to Franchisor the Initial Franchise Fee upon execution of this Agreement. The Initial Franchise Fee shall be fully earned by Franchisor in consideration of Franchisor's execution of this Agreement and shall be non-refundable except as otherwise provided in this Agreement.

B. Royalty Fee. Franchisee shall pay to Franchisor a continuing Royalty Fee during the Franchise Term in the amount specified in the Selected Term Summary, payable monthly on the Gross Sales for the preceding Period in the manner provided in Section 4.F. below.

C. Advertising Fee. Franchisee shall pay to the National Advertising and Promotional Fund for the System (the "Fund") a continuing Advertising Fee during the Franchise Term in the amount specified in the Selected Term Summary, payable monthly on the Gross Sales for the preceding Period in the manner provided in Section 4.F. below. Franchisor reserves the right to increase or decrease the Advertising Fee from time to time upon thirty (30) days' prior written notice to Franchisee.

D. Financial Services Fee. If Franchisor provides the Financial Services to Franchisee, as described in Section 16.E. hereof, Franchisee shall pay to Franchisor a continuing fee for the Financial Services (the "Financial Services Fee") during the Franchise Term, in an amount determined by Franchisor in its sole discretion from time to time, payable monthly in the manner provided in Section 4.F. below.

E. Technology Maintenance Fee. Franchisee shall pay to Franchisor a continuing fee (the "Technology Maintenance Fee") during the Franchise Term for maintenance and operating costs for Store technology, as described in Section 12.I(ii) hereof, in an amount determined by Franchisor in its sole discretion from time to time, payable monthly in the manner provided in Section 4.F. below.

F. Payment. Royalty Fees, Advertising Fees, Financial Services Fees (if applicable), Technology Maintenance Fees, and any other payments required to be made by Franchisee to Franchisor under this Agreement or any Related Agreement, including payments for product purchases, shall be paid on or before the due date indicated on the invoices sent to Franchisee for any such fees, payments or purchases, or at such other point as specified by Franchisor from time to time ("Due Date"). Franchisee shall not set off or withhold any payment due under this Agreement on the grounds of alleged non-performance of obligations or duties of Franchisor (or its Affiliates) or for any other reason.

G. Late Payment. Any payment required to be made by Franchisee to Franchisor under this Agreement or any Related Agreement that is not actually received by Franchisor on or before the Due Date shall be deemed overdue. If any payment is overdue, Franchisee shall pay to Franchisor, immediately upon demand and in addition to the overdue amount, interest on the overdue amount from the Due Date until paid, calculated on a daily basis, at a rate of one and one-half percent (1 ½%) per month, or the maximum rate permitted by law, whichever is less. Interest shall accrue on all late payments regardless of whether Franchisor exercises its right to terminate this Agreement under Section 20. In addition to its right to charge interest, Franchisor may charge Franchisee the lesser of a \$100.00 late payment fee, or the maximum amount permitted by applicable law, for each such overdue payment, and the lesser of a \$30.00 insufficient funds fee, or the maximum amount permitted by applicable law, for each check, automated bank draft payment, or other payment that is not honored by Franchisee's financial institution.

H. Method of Payment. Franchisee agrees to participate in Franchisor's specified program, platform or procedure for sales reporting and payment of fees that are due, including royalty, advertising, financial services, technology maintenance, product purchase and other required payments, whether it is electronic fund transfer or some other program, platform or procedure. Franchisee may be charged fees by a third-party vendor, on a per transaction or other basis, for use of any such program, platform or procedure. Franchisee agrees to assume the costs associated with maintaining Franchisee's capability to report sales and transfer funds to Franchisor. Franchisor reserves the right to require Franchisee to execute pre-authorized payment agreements with Franchisee's banking institutions pursuant to which all periodic payments to be made to Franchisor or its Affiliates, including royalty, advertising, financial services, technology maintenance, product purchase and other periodic payments, will be made automatically to Franchisor from the Franchisee's banking accounts via electronic fund transfers. Franchisee agrees that Franchisor has the right to set off amounts Franchisee owes Franchisor or its Affiliates against amounts Franchisor or its Affiliates may owe Franchisee. Notwithstanding designation by Franchisee to the contrary, all payments made by Franchisee hereunder will be applied by Franchisor at its discretion to any of Franchisee's past due indebtedness.

I. Franchise Security Deposit. Franchisor may require Franchisee to pay a franchise security deposit in the amount of Two Thousand Five Hundred Dollars (\$2,500) upon execution of this Agreement. This deposit will be held by Franchisor until the expiration or termination of this Agreement, in which event the deposit will either (i) be returned to Franchisee, if Franchisee does not have any outstanding payment obligations to Franchisor under this Agreement or any Related Agreement, or (ii) be applied to any outstanding payment obligations to Franchisor under this Agreement or any Related Agreement (and the balance, if any, will be returned to Franchisee). Franchisor will return any remaining balance to Franchisee within sixty (60) days after termination or expiration of this Agreement. Franchisor shall have no obligation to pay any interest on the deposit to Franchisee. If Franchisee is entering into a renewal franchise agreement, and has previously paid this franchise security deposit, Franchisor will roll over the security deposit to the renewal franchise agreement.

## 5. PRE-OPENING OBLIGATIONS.

A. Compliance with Law. Franchisee shall comply with all federal, state and local laws, rules and regulations and shall timely obtain any permits, certificates or licenses necessary for the full and proper conduct of the Franchised Business, including licenses to do business, fictitious name registrations, sales tax permits, fire clearances and zoning and building approvals.

B. Conditions to Store Opening and Grant of Franchise. As a condition to the right of Franchisee to open and/or operate the GNC Store and to use the System and the Proprietary Marks, Franchisee must (i) complete, to the sole satisfaction of Franchisor, all of the requirements set forth in Sections 4.A., 5.A., 6, 7, 8, 9 and 10 of this Agreement prior to the expiration of the Pre-Opening Period,

(ii) provide to Franchisor personal guarantees of Franchisee's payment and other performance obligations under this Agreement and any Related Agreements, executed by Franchisee and his or her spouse, or if Franchisee is not an individual, by Franchisee's Principals and their respective spouses, and/or by such other individuals (and their spouses) that Franchisor may have relied upon in granting the franchise to Franchisee, in a form prescribed by Franchisor as it deems necessary for adequate security, and (iii) be in full compliance with the terms of this Agreement and all Related Agreements. The foregoing requirements shall be collectively referred to herein as the "Pre-Opening Obligations."

C. Failure to Meet Conditions for Store Opening and Grant of Franchise. Franchisee shall not use Franchisor's Proprietary Marks or System, except to the extent necessary to fulfill Franchisee's Pre-Opening Obligations, and may not under any circumstances commence operation of the Store prior to the timely completion of the Pre-Opening Obligations to the sole satisfaction of Franchisor. If full performance of the Pre-Opening Obligations is not completed by Franchisee during the Pre-Opening Period, or if this Agreement is terminated during the Pre-Opening Period for any reason whatsoever, or if Franchisee has not opened the Store on or before the last day of the Pre-Opening Period, the right of Franchisee to franchise and all rights, powers and privileges related thereto and under this Agreement shall terminate and shall be of no further force and effect, and Franchisee shall have no right to establish or operate a Store within any proposed territory or at the Approved Location, and Franchisor shall be entitled to establish and to license others to establish Stores within any proposed territory or at the Approved Location. If Franchisee has not opened the Store on or prior to the end of the Pre-Opening Period, Franchisor may (but shall not be obligated to) extend the Pre-Opening Period for such period of time as Franchisor determines, in its sole discretion, by written notice to Franchisee. No written communication other than such a written extension shall be deemed a written notice for this purpose.

## 6. FRANCHISE SITE AND TERRITORY.

A. Location. If Franchisee has not already done so, Franchisee must receive written approval from Franchisor for the specific location of Franchisee's Store. Unless Franchisee is operating under an Area Development Agreement with Franchisor or is proposing to relocate the Store pursuant to Section 6.E., the parties hereto confirm that Franchisee has received written approval from Franchisor for the specific Store location prior to the date of this Agreement. The Store location and address, as approved in writing by Franchisor, are identified in the Selected Term Summary. If this Agreement is being executed pursuant to an Area Development Agreement with Franchisor and Franchisee has only selected an area in which to locate its GNC Store, the area will be identified in the Selected Term Summary and Franchisee must identify a specific Store location during the Pre-Opening Period. Franchisee must receive the written approval of Franchisor for the specific Store location, and the specific Store location and address, as approved in writing by Franchisor, shall automatically be incorporated into the Selected Term Summary as if set forth therein on the Agreement Date. It is Franchisee's responsibility to select a site for the Franchised Business. Franchisor's approval of a site does not constitute recommendation or endorsement of the site, nor any assurance or guarantee by Franchisor of the suitability of such site for a GNC Store or that a GNC Store established at such site will be profitable or otherwise successful. Franchisee agrees that the suitability of a site and the success of any GNC Store depends on many factors outside the control of either Franchisor or Developer (including, without limitation, such factors as competition, interest rates, unemployment rates, workforce availability, demographic trends and the general economic climate).

B. Site Approval. If this Agreement is being executed pursuant to an Area Development Agreement, or if Franchisee is proposing to relocate the Store pursuant to Section 6.E. hereof, Franchisor may require Franchisee to submit specific site data, demographic and other information concerning any proposed site as may be reasonably required by the Franchisor in a form specified by Franchisor. Franchisee must receive written approval from Franchisor for the site for Franchisee's Store. Franchisor's acceptance or rejection of a proposed site shall only be indicated in writing by Franchisor. Silence by Franchisor is not

an acceptance. Franchisor is not obligated to approve any site requested by Franchisee, and Franchisor may refuse to grant Franchisee approval for a site for any reason in its sole discretion.

C. Actions not Deemed Acceptance. Franchisee agrees that any contact by Franchisor with third-party landlords, lenders, vendors, contractors or other third parties taken individually or collectively shall not constitute Franchisor's acceptance of the site, or any obligation to Franchisee or to any third party. The acquisition in any manner of any proposed site, or entry into any obligation with respect thereto, prior to acceptance in writing by Franchisor, shall be at the sole risk and responsibility of Franchisee and shall not obligate Franchisor in any way. Further, Franchisor will not lend money, provide financing or otherwise become directly or indirectly involved with third-party landlords, lenders, vendors, contractors, or other third parties. Each of these activities and undertakings shall be the exclusive responsibility of Franchisee, financially and otherwise.

D. Protected Territory. Subject to Franchisor's Retained Rights and to Franchisor's rights under Section 18.A., Franchisor shall not itself operate, nor grant a franchise for the operation of, another GNC Store, within the Protected Territory during the Protective Period. Subject to Franchisor's Retained Rights and to Franchisor's rights under Section 18.A., if, after expiration of the Protective Period, Franchisor identifies within the Protected Territory a site for development or operation of a new GNC Store, then Franchisor shall grant to Franchisee the right and option to franchise such site by providing to Franchisee written notice and a Franchise Agreement for such site along with Franchisor's then current Franchise Disclosure Document ("Disclosure Document"). To exercise its option to franchise the site Franchisor has identified, Franchisee must execute the Franchise Agreement and Disclosure Document receipt and return both items to Franchisor with the then-current initial franchise fee on or before expiration of thirty (30) days from receipt of Franchisor's notice. If Franchisee does not elect to exercise the option in the specified manner within such period, or waives its right prior to expiration of such period by written notice to Franchisor, then Franchisor, or its Affiliate, shall have the right (without any liability whatsoever to Franchisee) to develop and operate such site or to license such right to another party, including other franchisees, and Franchisee's right and option to such site shall expire and be of no further force or effect.

E. Relocation. If Franchisee is unable to continue operation of its GNC Store at the Approved Location due to an act of God (including but not limited to fire, flood, or earthquake) or due to extreme hardship or other circumstances approved by Franchisor in its sole discretion, Franchisee may request in writing permission to relocate its GNC Store, provided that Franchisor may reduce, alter, or eliminate the Protected Territory in connection with any such relocation. Franchisee must obtain Franchisor's prior written approval before Franchisee can relocate its GNC Store, which approval shall be at the sole discretion of Franchisor, and Franchisee and its Principals must sign a general release and any other required documents in the forms required by Franchisor and pay to Franchisor a relocation fee in the amount of \$10,000, or such other amount as Franchisor may establish from time to time in its sole discretion, to cover Franchisor's administrative and other costs in processing the relocation. Franchisee agrees to comply with Sections 5.A., 6, 7, 8 and 9 hereof in connection with any proposed relocation of Franchisee's Store.

7. LEASING. If Franchisee does not own the Approved Location, Franchisee acknowledges that it must lease the Approved Location directly from the third-party owner. ~~Franchisee represents and warrants to Franchisor that~~ Notwithstanding the foregoing, if Franchisor is already leasing the Approved Location, or under other circumstances acceptable to Franchisor, Franchisor may, in its sole discretion, allow Franchisee to sublease the Approved Location from Franchisor. Franchisee represents and warrants to Franchisor that, if Franchisee is directly leasing (and not subleasing) the Approved Location, the lease for the Approved Location does not include any radius restrictions for GNC Stores or any protected territory provisions. ~~Franchisee further represents and warrants to Franchisor, and further~~ that the lease for the Approved Location includes the following provisions:

- (i) the landlord will provide notice to Franchisor upon the occurrence of any default by the tenant;
- (ii) the landlord will provide Franchisor with copies of all written notices of default sent to the tenant;
- (iii) the landlord will provide Franchisor the right to enter the leased premises to take such necessary reasonable actions to protect Franchisor's proprietary marks and franchise system;
- (iv) should the tenant fail to cure any default asserted by the landlord, including abandonment of the leased premises, the landlord will notify Franchisor in writing of its intention to terminate the lease prior to the landlord exercising such right to terminate; and
- (v) the landlord will allow Franchisor to enter the leased premises at a time chosen by Franchisor to take possession of all fixtures, furniture, equipment and inventory in which Franchisor or its affiliates have a security interest.

Franchisee acknowledges that time is of the essence, and that if it has not already done so, Franchisee must provide to Franchisor a copy of the fully-executed lease within thirty (30) days of execution. Franchisee must also submit any amendment to the lease for the Approved Location within thirty (30) days of execution. If Franchisee will be subleasing the Approved Location from Franchisor, Franchisee must sign the sublease, and if not signed electronically, provide a copy of the signed sublease to Franchisor, within thirty (30) days of Franchisee's receipt of the sublease. Franchisee acknowledges that construction or remodeling of the Store will not begin until Franchisor has received a fully executed copy of the lease (or sublease, if applicable) for the Approved Location. Franchisee acknowledges that all costs associated with the lease negotiations, lease review, and Store construction are Franchisee's sole responsibility. Franchisee also acknowledges that it is Franchisee's sole responsibility to ensure that the lease requirements set forth in this Section 7 are met. Franchisee also acknowledges that the term of Franchisee's lease or sublease may be different than the Franchise Term (whether shorter or longer), and that it is the sole responsibility of Franchisee to maintain the right to possess the Approved Location for the entire Franchise Term. If the lease requirements set forth in this Section 7 are not met, or if Franchisee loses the right to possession of the Approved Location during the Franchise Term, Franchisee will be in default under this Agreement.

## 8. CONSTRUCTION.

A. Architectural and Engineering Consultants. Unless Franchisor has approved otherwise in writing, Franchisee agrees to use, at Franchisee's expense, the architectural and engineering consultants designated by Franchisor to obtain permitting for a standard GNC Store design and to prepare architectural, electrical and mechanical drawings for the Store. Upon Franchisor's prior written approval, Franchisee may engage, at Franchisee's expense, its own architectural and engineering consultants to obtain permitting for a standard GNC Store design and to prepare architectural, electrical and mechanical drawings for the Store. Any such drawings prepared by Franchisee's own architectural and engineering consultants must comply with applicable governmental building codes and regulations.

B. Construction by Franchisor. Unless Franchisor has approved otherwise in writing, Franchisor will perform, at Franchisee's expense, all construction, renovation, refurbishing, and remodeling of the Store. If Franchisor constructs or performs any renovation, refurbishing or remodeling of the Store, Franchisor will turn over custody and control of the Store to Franchisee upon substantial completion of construction or renovation, refurbishing or remodeling, provided that Franchisee is not then in breach of this Agreement. Franchisee accepts the premises "AS IS" and agrees to pay for the construction, renovation, refurbishing or remodeling of the Store according to the invoices for such cost within fifteen

(15) days of receipt of any invoice therefor or in such other manner as directed by Franchisor (which may include payment in stages during the construction, renovation, refurbishing or remodeling process). Such cost will include contractor's charges, costs for architectural and engineering consultants, costs of surveys, permits and certifications, and the cost of all materials, equipment and fixtures.

C. Construction by Franchisee. Upon Franchisor's prior written approval, Franchisee may perform, at Franchisee's expense, the construction, renovation, refurbishing or remodeling of the Store in accordance with Franchisor's plans, standards and specifications. Franchisee agrees that the Store and any real estate controlled by Franchisee and appurtenant to the Store must be designed, laid out, constructed, furnished, and equipped to meet and comply with Franchisor's plans, standards, and specifications, and Franchisee must satisfy any conditions to Franchisor's approval of the same. Any deviations from Franchisor's plans, specifications, and requirements must have Franchisor's prior written approval. Any plans that Franchisor provides to Franchisee, and Franchisor's approval of any plans Franchisee submits, relate solely to compliance with Franchisor's specifications and standards and should not be construed as a representation or warranty that the plans comply with applicable laws and regulations. At Franchisor's written request, Franchisee must promptly correct any unapproved deviations from Franchisor's plans, standards or specifications for the construction, renovation, refurbishing or remodeling of the Store.

D. Construction Generally. In all circumstances, Franchisee agrees to pay to Franchisor a project management fee, to be determined by Franchisor in its sole discretion, for construction project management services, which fee will be payable prior to commencement of construction, renovation, refurbishing or remodeling of the Store. This project management fee offsets Franchisor's in-house costs for ordering, logistics, coordination, fixture layout, bidding, and carrying costs for materials. Franchisee also agrees to pay any additional fees and costs for any design and engineering in addition to a standard GNC Store design. All costs and fees described in this Section 8 are non-refundable once paid.

## 9. INSURANCE.

A. General. At the earlier of (i) execution of a lease or sublease for the Store and (ii) acceptance of an owned or non-owned site for the Store, but in no event later than the Store Opening Date, Franchisee shall procure and maintain in full force and effect during the term of this Agreement, at Franchisee's expense, an insurance policy or policies protecting Franchisee and Franchisor, and their Affiliates, officers, directors, partners, and employees, against any claims for loss, liability, personal injury, death, property damage, or any expense whatsoever arising out of the ownership or operation of the Franchised Business.

B. Insurance Policies. Such policies shall be written by an insurance company satisfactory to Franchisor and that has an A.M. Best rating of not less than A-VII. All policies of insurance must be primary and non-contributory to any policies of insurance maintained by Franchisor, and must contain a provision requiring 30-days' written notice of cancellation to Franchisor. Policies shall include, at a minimum (except as additional coverages and higher policy limits may reasonably be specified by Franchisor from time to time in the Manuals or otherwise), the following:

(i) Comprehensive general liability insurance, including product liability, contractual liability, personal and advertising injury, property damage, and auto owned, hired and non-owned vehicles in the amount of:

(a) \$2,000,000 per occurrence and aggregate naming Franchisor and its Affiliates as additional insureds in each such policy or policies; such policies will also apply to vehicles purchased in the name of the business, will include fire/tenant legal liability insurance in an amount not less than \$250,000 and medical payments of \$5,000. All such policies shall provide for waivers

of subrogation and be written on an Occurrence Form. If Franchisee has multiple locations, the following additional umbrella limits will apply (a per location endorsement will be required so that the general aggregate limit applies separately to each individual location): for 2-5 locations, the minimum umbrella limit is \$2,000,000; for 6-10 locations, the minimum umbrella limit is \$4,000,000; for 11-15 locations, the minimum umbrella limit is \$6,000,000; and for more than 15 locations, the minimum umbrella limit is \$8,000,000; or

(b) A primary policy in the amount of \$1,000,000 per occurrence, \$2,000,000 aggregate, with an excess policy in the amount of \$1,000,000, naming Franchisor and its Affiliates as additional insureds in each such policy or policies; such policies will also apply to vehicles purchased in the name of the business, will include fire/tenant legal liability insurance in an amount not less than \$250,000 and medical payments of \$5,000. All such policies shall provide for waivers of subrogation and be written on an Occurrence Form. If Franchisee has multiple locations, the following additional umbrella limits will apply (a per location endorsement will be required so that the general aggregate limit applies separately to each individual location): for 2-5 locations, the minimum umbrella limit is \$3,000,000; for 6-10 locations, the minimum umbrella limit is \$5,000,000; for 11-15 locations, the minimum umbrella limit is \$7,000,000; and for more than 15 locations, the minimum umbrella limit is \$9,000,000; and

(ii) Property insurance, written on a special form coverage with primary and excess limits of not less than the full replacement value of the Store(s), their equipment furniture, signs, inventory, and fixtures. The maximum deductible on this policy will be \$10,000; and

(iii) Business interruption insurance, in an amount equal to the greater of (i) \$250,000, or (ii) Franchisee's annual Gross Sales for the preceding calendar year. Such policy shall name Franchisor as an additional insured. The amount of such policy shall be adjusted on an annual basis to reflect the greater of the two amounts stated above; and

(iv) Such other insurance in the types, amounts and other terms and conditions, as may be required by applicable law or by lease or other relevant contract, including workers' compensation and employer's liability insurance.

C. No Limitation of Franchisee Obligations. Franchisee's obligation to obtain and maintain the foregoing policy or policies in the amounts specified shall not be limited in any way by reason of any insurance which may be maintained by Franchisor, nor shall Franchisee's performance of that obligation relieve Franchisee of liability (or limit Franchisee's liability) under any indemnity provisions set forth in this Agreement.

D. Evidence of Insurance. Upon obtaining the insurance required by this Agreement and on each policy renewal date thereafter, Franchisee shall promptly submit evidence of such insurance and proof of payment therefor to Franchisor, together with, upon request, copies of all policies and policy amendments. The evidence of insurance shall include a statement by the insurer that the policies will not be canceled or materially altered without at least thirty (30) days' prior written notice to Franchisor. Franchisor's acceptance of copies of insurance policies or certificates of insurance does not constitute a waiver, release or modification of any of the insurance coverages and endorsements required under this Agreement.

E. Failure to Maintain Insurance. Franchisee's failure to procure or maintain the insurance required by this Agreement shall be a default under this Agreement. Should Franchisee, for any reason, fail to procure or maintain the insurance required by this Agreement, in addition to and not in lieu of other remedies for such default provided herein and available at law or in equity, Franchisor shall have the right

and authority (but not the obligation) immediately to procure such insurance and to charge same to Franchisee, which charges, together with a fee not to exceed \$500 for Franchisor's reasonable costs and expenses in so acquiring the policies, shall be payable by Franchisee immediately upon demand.

F. Post-Termination Insurance Obligations. Franchisor shall have the option, at its sole discretion, to require Franchisee to continue the insurance required by this section, or to obtain tail coverage if applicable, following expiration or termination of this Agreement. Franchisor shall provide Franchisee written notice if it elects to exercise this option, and Franchisee hereby agrees to obtain the requested insurance within thirty (30) days of receipt of notice.

## 10. TRAINING.

A. Initial Training. As a condition to the right to franchise and operate the Store and prior to the Store Opening Date, Franchisee, and if Franchisee is not an individual, its Designated Principal, and Franchisee's Store Manager must attend and successfully complete to Franchisor's sole satisfaction Franchisor's initial training program consisting of the following:

(i) Phase I: Spend forty (40) hours of on-the-job training in a GNC Store operated by another franchisee, and, in Franchisor's sole discretion, depending on Franchisee's experience with GNC Store operations, spend up to 16 hours visiting other franchised GNC Stores with Franchisee's Director of Franchise Operations;

(ii) Phase II: Attend up to a five (5) day training program, which may, depending on the situation, be held virtually or at Franchisor's Franchise Support Center in Pittsburgh, Pennsylvania or at another location designated by Franchisor. Phase II training topics include, but are not limited to, business planning, merchandising, customer service, loss prevention, ordering, receiving merchandise and payment requirements. Franchisor reserves the right to designate an alternative location for Phase II training and to change training topics at any time without notice to Franchisee. If performance in training is poor or attendance is not meeting requirements, in the sole judgment of Franchisor, Franchisee shall be in default of this Agreement, and Franchisor shall have the option to (a) require Franchisee to repeat Phase I as well as Phase II training or (b) terminate this Agreement; and

(iii) Phase III: If Franchisee has not previously franchised a GNC Store, Franchisee must spend up to seven (7) days with a Director of Franchise Operations when the grand opening shipment is scheduled to be received to set up the Store for opening. If Franchisee has previously franchised a GNC Store, Franchisee must spend up to five (5) days with a Director of Franchise Operations when the grand opening shipment is scheduled to be received to set up the Store for opening. Franchisee must also complete a business plan and budget and review the same with a Director of Franchise Operations prior to the end of Phase III training.

Franchisor shall provide such instructors and training materials for the initial training program as Franchisor may deem appropriate. Trainees shall be responsible for any and all other expenses incurred by them in connection with the initial training program, including the cost of transportation, lodging, meals, and wages.

B. Ongoing Training. At Franchisor's option, any manager subsequently employed by Franchisee shall attend and complete to Franchisor's sole satisfaction Franchisor's initial training program. In addition, Franchisee, and if Franchisee is not an individual, Franchisee's Designated Principal, managers and other employees shall attend such refresher courses, seminars, and other training programs as Franchisor may require from time to time. All training programs shall be at such times and places as may be designated by Franchisor. Franchisor shall provide such instructors and training materials for all required training programs as Franchisor may deem appropriate. Franchisee or its employees shall be

responsible for any and all expenses incurred by them in connection with any training program, including the cost of transportation, lodging, meals, and wages.

C. Employee Training. Franchisee or Franchisee's manager shall be responsible for training all of Franchisee's employees. Franchisee shall at all times maintain a competent, conscientious, trained staff, including fully trained employees (some or all of whom may be Franchisee(s)), who are qualified to operate required equipment, including the POS System, and who render competent, prompt, courteous and knowledgeable service to Store customers.

## 11. GNC SYSTEM.

A. General. Franchisee acknowledges that franchising is a method of selling goods or services in a consistent manner and that store customers expect a similar shopping experience at a franchised business, regardless of its location or operator. Franchisee recognizes the importance of these concepts and agrees to participate in and comply with the requirements of the GNC System, which promotes a uniform method of operating a retail nutrition, health and/or fitness store.

B. Franchisor Modification. The parties agree that the System may be supplemented, improved, and otherwise modified from time to time by Franchisor in response to the opportunity to increase GNC brand awareness, provide different methods of distribution of GNC products (including distribution of products through an omni-channel strategy), drive consumer traffic to GNC Stores, and offer new services and products to customers of stores operating under the System, to reflect the experience of stores over time, and other factors. In addition, the parties agree that, in the interest of preserving the integrity of the System, Franchisor shall have full control and discretion over the creation and implementation of such developments and that Franchisee shall comply with all requirements of Franchisor and make such expenditures as such changes, modifications or improvements to the System may require in that regard, whether or not such changes directly benefit Franchisee's Store. Any such developments, whether permissive or required by Franchisor, may or may not present additional revenue opportunities for Franchisee.

C. Franchisee Modification. If Franchisee develops any new modification, concept, process, improvement or slogan in the operation or promotion of the Store or to the GNC System, the same shall be deemed a work made for hire owned exclusively by Franchisor, and Franchisee shall promptly notify Franchisor of, and provide Franchisor with, all necessary information regarding such modification, concept, process, improvement or slogan, without compensation to Franchisee. Franchisee hereby assigns, transfers and conveys to Franchisor all rights, title and interests in and to any such modifications, concepts, processes, improvements or slogans and irrevocably constitutes and appoints Franchisor as Franchisee's attorney-in-fact, coupled with an interest, to execute and deliver any documents required to effectuate such assignment, transfer or conveyance on behalf of Franchisee. Franchisor may use or allow other franchisees to use the same in connection with the GNC System or the operation of GNC Stores, without compensation to Franchisee. Notwithstanding the foregoing, in recognition of Franchisor's full control and discretion over such developments, any such new modification, concept, process, improvement or slogan shall not be used by Franchisee without the prior written consent of Franchisor.

## 12. DUTIES OF FRANCHISEE.

A. Signs. Franchisee shall prominently display and maintain in first class appearance and condition, at Franchisee's expense, signs of such nature, form, color, number, illumination, size and location, and containing such names, designs, legends and symbols, as Franchisor shall prescribe in the Manuals or otherwise in writing. Franchisee shall not display at the Store or elsewhere any signs or advertising media which have not been approved by Franchisor in writing. Franchisor or its authorized

representatives may at any time during normal business hours enter the Store and remove any signs or advertising media that are objectionable in the sole judgment of Franchisor.

B. Inventory. Franchisee acknowledges the benefits to Franchisee of participation in the GNC System and purchasing the Products and services sold at the GNC Store from common vendors and/or distributors (including the benefits of scale that a large chain gets from its high-volume purchases). Franchisee shall, at all times during the term of this Agreement, purchase inventory of products, either from Franchisor or one of its Affiliates or from an approved supplier of such products, in such categories and minimum quantities as are specified by Franchisor (“Inventory Plan”) and as are sufficient to sustain and grow the Franchised Business. Franchisor may require Franchisee to purchase any or all of Franchisee’s Store inventory, including GNC Brand Supplements and non-GNC brand products, exclusively from Franchisor. Franchisor reserves the right to modify the Inventory Plan from time to time in its sole discretion, by providing reasonable advance notice of such changes to Franchisee. Franchisor and its Affiliates may derive profits from the sale of required or optional products. Without limiting the generality of the foregoing, Franchisor and its Affiliates may receive payments, discounts or other consideration from suppliers in consideration of such suppliers’ dealings with Franchisee and/or other GNC franchisees. Any such amounts and benefits shall be kept by Franchisor as compensation for locating and negotiating with suppliers for franchisees and may be used by Franchisor without restriction. Franchisor is not required to give Franchisee an accounting of supplier payments or to share the benefit of supplier payments with Franchisee or other GNC franchisees.

C. Use of Premises. Franchisee shall use the Store premises solely for the operation of the Franchised Business (in conformity with this Agreement and the Manuals); agrees not to permit others to carry on or conduct any other business, activity or operation at, in or about the Store premises; and shall keep the business open and in normal operation for such minimum hours and days as Franchisor may from time to time specify in the Manuals or otherwise in writing or as may be specified in the lease [or sublease](#) for the Store premises.

D. Store Management. Franchisee and/or its designated manager shall devote full time energy and best efforts to the management and operation of the Store.

E. Maintenance. Franchisee shall maintain the Store (including adjacent public areas) in a clean, orderly condition, and in good repair; and, in connection therewith, the Store shall be refurbished in accordance with Section 8, at Franchisee’s expense, including such additions, alterations, repairs, and replacements thereto (but no others without Franchisor’s prior written consent) as may be required for that purpose, including such periodic repainting, repairing, and replacing of obsolete signs, fixtures, and furnishings as Franchisor may reasonably require.

F. Remodeling. Except as otherwise set forth in this Section 12.F., at Franchisor’s request, but no more often than once every five (5) years unless more frequently required by the Landlord of the Store location, the Store (including signs, fixtures, furnishings and Store layout) shall be remodeled in accordance with Section 8, at Franchisee’s expense, to conform to the building design, trade dress, color schemes, and presentation of trademarks and service marks consistent with the then-current public image of the System and the particular type and grade of location for the Store and as necessary, as determined by Franchisor in its sole discretion, to protect the value, goodwill and uniformity symbolized by the Proprietary Marks and the System. Notwithstanding the foregoing, if Franchisee is franchising a Conversion Store location in connection with this Agreement, upon entering into this Agreement with Franchisor, Franchisor may require the Store to be remodeled in accordance with Section 8, at Franchisee’s expense. This Section 12.F. does not include, and is separate from, Store changes or modifications that Franchisor requires in connection with the Visual Merchandising Playbook. This Section 12.F. also does not include additional

changes or modifications that Franchisor may require, at Franchisee's expense, in Store equipment, technology or electronic platforms, as further described in Section 12.I. below.

G. Annual Physical Inventory. Franchisor may require Franchisee to complete a physical inventory at the Store on an annual basis, at Franchisee's expense. Franchisor shall have the right, in its sole discretion, to conduct the annual physical inventory. Franchisee shall pay to Franchisor, upon demand, an annual inventory fee in the amount of \$540, or such other amount as Franchisor may establish from time to time, for conducting each annual inventory; provided, that if Franchisor provides Financial Services to Franchisee as set forth in Section 16.E., then Franchisee shall not be required to pay the annual inventory fee. Franchisor reserves the right to increase or decrease the annual inventory fee from time to time in its sole discretion.

H. Compliance with Manuals. Franchisee shall operate the Store in strict conformity with such policies, procedures, methods, standards, and specifications as Franchisor may from time to time prescribe in the Manuals or otherwise in writing.

I. Products, Equipment and Supplies. Franchisee agrees:

(i) To maintain in sufficient supply, and to use at all times, only such products, materials, supplies, forms, and other items (collectively, "items") as Franchisor shall approve or prescribe; to refrain from using or selling any items which Franchisor has not expressly approved for use or sale at the Store; to not wholesale, directly or indirectly, any items at the Store or otherwise; to promptly (or immediately, if so directed by Franchisor) discontinue selling and offering for sale any items or services which Franchisor may, in its sole discretion, disapprove at any time for any reason whatsoever; and to purchase all items required for the operation of the Store, solely from suppliers (including manufacturers, wholesalers, and distributors) which Franchisor has approved to sell such items to Franchisee at that time. Franchisor may require Franchisee to purchase any or all items exclusively from Franchisor, in Franchisor's sole discretion. If Franchisee desires to purchase any items from an unapproved supplier, Franchisee, at its own expense, shall submit to Franchisor a written request for such approval and samples and specifications, or shall request the supplier itself to do so. Franchisor has the absolute discretion to approve or disapprove any items or suppliers for any reason whatsoever. Further, Franchisor may revoke its approval of a previously approved supplier at any time for any reason whatsoever. No supplier shall be deemed approved by Franchisor, unless such approval is given by Franchisor in writing. Franchisor or its authorized representatives may at any time during normal business hours enter the Store and remove any items or stop any services that are not approved by Franchisor, not provided by suppliers approved by Franchisor, or which are otherwise prohibited by this Agreement or applicable law.

(ii) To purchase, install, operate and maintain in good working order, in the ordinary course of business, at Franchisee's expense (such expense to include reasonable technology maintenance and operating fees charged by Franchisor to Franchisee on a monthly or more frequent basis), such fixtures, furnishings, technology, electronic platforms, signs and other equipment, including a POS System and peripherals, and such other technology and computerized equipment with such upgrades to the system and equipment as Franchisor may reasonably direct from time to time in the Manuals or otherwise in writing; participate in Franchisor's Franchise Portal; and not install or permit to be installed in, on or about the Store premises, without Franchisor's prior written consent, any fixtures, furnishings, technology, signs, equipment, or other improvements not previously approved as meeting Franchisor's standards and specifications.

J. Inspections. Franchisee shall permit Franchisor and its agents to enter upon the Store premises at any reasonable time, with or without advance notice, for the purpose of conducting inspections, auditing Franchisee's books and records and evaluating Franchisee's operations. Franchisee shall cooperate

with Franchisor's representatives in such inspections, audits and evaluations by rendering such assistance as they may reasonably request; and, at the request of Franchisor or its agents, and without limiting Franchisor's other rights under this Agreement, shall take such steps as may be necessary to immediately correct the deficiencies detected during such inspections, audits and evaluations. Franchisee's failure to timely comply with its obligations under this Section 12.I. shall constitute a default under this Agreement.

K. Ethical Conduct. Franchisee shall in all aspects of Store operations and in dealings with customers, suppliers, landlords, Franchisor and its Affiliates, other franchisees and the general public act in a professional manner and adhere to the highest standards of honesty, integrity, fair dealing and ethical conduct. Franchisee agrees to refrain from any conduct, business or advertising practice which may be injurious or prejudicial to the business of Franchisor, the System, and the goodwill associated with the GNC Brand Supplements, the Proprietary Marks, and other GNC stores.

L. Employees. Franchisee shall take such steps as are necessary to ensure that its employees preserve good customer relations, comply with the requirements and specifications set forth in this Agreement or prescribed in the Manuals or otherwise in writing, and comply with such dress code as Franchisor may prescribe, including, but not limited to, wearing GNC specified uniforms in a clean and neat condition and use of name tags at all times while working in the Store.

M. Litigation. Franchisee shall notify Franchisor, in writing, immediately, but in any event within five (5) days, of the commencement by Franchisee or any third party of any action, suit, or proceeding, and of the issuance of any order, writ, injunction, award, or decree of any court, agency, or other governmental instrumentality, which may adversely affect the operation or financial condition of the Franchised Business or the System.

N. Compliance with Laws. Franchisee acknowledges and understands that Franchisee's storage, offer, and sale of certain products shall be subject to specific federal, state, and local laws and regulations, including rules and regulations of the Food and Drug Administration ("FDA"), the Consumer Product Safety Commission ("CPSC"), and the Federal Trade Commission ("FTC"). Franchisee, at its sole expense, shall comply with all federal, state, and local laws, ordinances, and regulations affecting the operation of the Store, including those regulations referenced above, and shall timely obtain and maintain any and all permits, certificates, or licenses necessary for the full and proper conduct of the Franchised Business, including licenses to do business, fictitious name registrations, sales tax permits, and fire clearances. Without limiting the foregoing, and in addition to the other duties of Franchisee, Franchisee shall comply with all applicable FDA and state law requirements concerning the sale of vitamins, supplements, proteins, beauty products, drugs, foods, medical devices and other goods or services offered for sale at the Stores. Franchisee shall submit to Franchisor, on an annual basis, or more frequently as Franchisor may specify, evidence of such compliance, including copies of all certifications, permits or other licenses.

O. Loyalty Programs. Franchisee agrees to comply with and honor any customer loyalty and/or rewards programs that Franchisor currently has in place or may otherwise adopt from time to time in Franchisor's sole discretion. Franchisee understands and agrees that Franchisor shall have sole control over the components and timing of any customer loyalty or rewards programs that are currently in place or otherwise adopted by Franchisor from time to time in the future.

P. Customer Satisfaction Program. Franchisee agrees to participate in any customer satisfaction program established by Franchisor, as may be supplemented, modified or changed by Franchisor, in Franchisor's sole discretion, from time to time.

Q. Security Interest. As security for the payment and performance of all of Franchisee's obligations under this Agreement and all Related Agreements, whether such obligations now exist or arise hereafter, and whether direct or indirect, certain or contingent (including, but not limited to, the payment of continuing royalty and advertising fees), Franchisee grants to Franchisor a continuing security interest in the following properties, assets and rights of the Franchisee, wherever located, whether now owned or hereafter acquired or arising, and all proceeds and products thereof (all of the same being hereinafter called the "Collateral"):

- (a) all accounts and accounts receivable;
- (b) all inventory;
- (c) all furniture, trade fixtures, machinery and equipment;
- (d) all general intangibles (including customer lists and software));
- (e) all contract rights; and
- (f) all products and proceeds of any of the Collateral described in the foregoing subsections (a) – (e).

In addition, Franchisee grants to Franchisor a security interest in the Collateral to secure the performance and payment of all liabilities, obligations and indebtedness of Franchisee to Franchisor, whether secured or unsecured, direct or indirect, absolute or contingent, whether heretofore arising, now existing or hereafter existing, including all obligations of Franchisee arising under the Franchise Agreement and any Related Agreement.

Franchisee shall execute and deliver such financing and continuation statements, and execute and deliver such further documents, as Franchisor may deem appropriate to perfect the security interests granted hereunder. Franchisee grants to any officer of Franchisor an irrevocable power of attorney to execute and file such statements and documents on Franchisee's behalf. Franchisee shall keep the Collateral free and clear of all taxes, liens, and encumbrances, and, without Company's prior written consent, shall not mortgage, pledge, grant or create any other security interest in the Collateral, until payment in full of the obligations secured hereunder, and shall not transfer or otherwise dispose of the Collateral, except in the ordinary course of business.

If Franchisee fails to make payment or performance in full in accordance with all of Franchisee's obligations secured hereunder, then Franchisor shall have all rights and remedies at law or in equity available to Franchisor as a secured creditor.

### 13. DUTIES OF FRANCHISOR.

A. Specifications. Where applicable, Franchisor shall make available standard specifications for a typical store, including fixtures, furnishings, and signs, and Franchisor shall also furnish specifications for exterior work and renovation as required under an existing lease for the Store premises or otherwise by the owner or lessor. Franchisor shall also provide Franchisee with standards and specifications for equipment, supplies, forms, and inventory. Franchisor shall provide such specifications to Franchisee; provided, however, Franchisor reserves the right, in its sole discretion, to charge Franchisee a fee for such specifications.

B. Training. Franchisor shall make available such training programs and refresher courses for Franchisee (or, if Franchisee is not an individual, its Designated Principal) and Franchisee's Store manager, as it deems appropriate. All training provided by Franchisor shall be subject to the terms set forth in Section 10. Franchisor shall also provide to Franchisee training materials designed for Franchisee or Franchisee's manager to train Franchisee's employees.

C. Advisory Assistance and Services. Franchisor shall provide such initial and continuing advisory assistance as Franchisor, in its sole discretion, deems advisable in the opening and operation of the Franchised Business. In addition, Franchisor shall provide such general services and other assistance as Franchisor, in its sole discretion, deems necessary and appropriate. Franchisor shall provide such assistance at no expense to Franchisee; provided, however, Franchisor reserves the right, in its sole discretion, to charge Franchisee a reasonable fee for unusual, extensive or extraordinary assistance requested by Franchisee and/or require Franchisee to reimburse Franchisor for expenses incurred by it in connection with providing such services. In no event shall Franchisor be liable to Franchisee in connection with providing or failing to provide such services.

D. Manuals. Franchisor shall provide to Franchisee, or otherwise make available electronically, on loan, one (1) copy of the Manuals.

14. PROPRIETARY MARKS.

A. Use of Proprietary Marks. With respect to Franchisee's use of the Proprietary Marks pursuant to this Agreement, Franchisee agrees that:

(i) Franchisee shall use only the Proprietary Marks designated by Franchisor and shall use them only in the manner and location authorized and permitted by Franchisor. Any unauthorized use thereof shall constitute an infringement of Franchisor's rights.

(ii) Franchisee shall execute any documents deemed necessary by Franchisor or its counsel to obtain protection for the Proprietary Marks or to maintain their continued validity and enforceability.

(iii) Franchisee shall not use the Proprietary Marks in its corporate name, domain name, electronic address or any fictitious name without Franchisor's prior written consent. If Franchisor consents to Franchisee's use of a fictitious name containing the Proprietary Marks and state or local laws or ordinances require that Franchisee file an affidavit of doing business under an assumed name or otherwise to file a report or other certificate indicating that GENERAL NUTRITION CENTER or such other Proprietary Mark or similar name is being used as a fictitious or assumed name, Franchisee shall include in such filing or application therefor an indication that the filing is made as a franchisee of GNC HOLDINGS, LLC, a Delaware limited liability company, of Pittsburgh, Pennsylvania.

(iv) Franchisee shall not directly or indirectly raise or cause to be raised any questions concerning, or objections to, or contest, the validity or the ownership of the Proprietary Marks on any grounds whatsoever.

(v) In the event that litigation involving the Proprietary Marks is instituted or threatened against Franchisee, Franchisee shall promptly notify Franchisor in writing and shall cooperate fully in defending or settling such litigation, or threatened litigation. Franchisee shall not make any demand or serve any notice, orally or in writing, or institute any legal action or negotiate, compromise or settle any

controversy involving the Proprietary Marks without first obtaining Franchisor's prior written consent. Franchisor shall have the exclusive right to institute, negotiate, compromise, settle, dismiss, appeal or otherwise handle any such action and take such steps as it may deem advisable to prevent any such action and to join Franchisee and any other franchisees as a party to any such action to which Franchisor may be a party and to which Franchisee is or would be a necessary or proper party, but nothing herein shall be construed to obligate Franchisor to seek recovery of costs or damages of any kind in any such litigation, the assertion or waiver of such claims being within the sole discretion of Franchisor. The costs of any such action shall be paid by Franchisor and any recovery obtained shall be paid to Franchisor. During the course of any such litigation in which the interests of Franchisee and Franchisor are not adverse, Franchisee and Franchisor shall be deemed to be joint clients of the litigation counsel; and, in that event, no attorney/client privilege shall restrict Franchisee's or Franchisor's right to communicate with and receive information relating to such litigation. Notwithstanding Franchisor's exercise of any of its rights under this section, Franchisor reserves any rights it may have to seek indemnification from Franchisee in any appropriate case.

(vi) Franchisee shall not use or permit the use of any trade names, trademarks or service marks at the Store or otherwise in connection with the Franchised Business other than the Proprietary Marks.

(vii) Upon termination or expiration of this Agreement, Franchisee shall immediately cease the use of the Proprietary Marks and take such action as required under Section 21. Franchisee acknowledges that Franchisee's violation of the terms of this Section 14 may cause immediate, irreparable and incalculable harm and significant injury to Franchisor, the damages of which may be difficult to ascertain and for which no adequate remedy of law may be available. Franchisee agrees to the granting of equitable relief, including injunctive relief and specific performance, in Franchisor's favor without proof of actual damages or posting a bond or other security, such bond or other security hereby being waived. Franchisee shall pay on demand all court costs and reasonable attorneys' fees incurred by Franchisor in obtaining such relief.

B. Acknowledgments. Franchisee expressly understands and acknowledges that:

(i) As between the parties hereto, Franchisor has the exclusive right and interest in and to the Proprietary Marks and the goodwill now or in the future associated with and symbolized by them.

(ii) Franchisee's use of the Proprietary Marks pursuant to this Agreement does not give Franchisee any ownership interest or other interest in or to such Proprietary Marks and all goodwill arising from Franchisee's use of the Proprietary Marks in its Franchised Business under the System shall inure solely and exclusively to Franchisor's benefit, and upon expiration or termination of this Agreement and the license herein granted, no monetary amount shall be assigned as attributable to any goodwill associated with Franchisee's use of the System or the Proprietary Marks.

(iii) Franchisor reserves the right to change, add or discontinue use of any Proprietary Mark, or to introduce additional or substitute Proprietary Marks for use in identifying the System and the Franchised Business. Franchisee shall comply with any requirements imposed by Franchisor regarding the change, alteration, discontinuation, addition or substitution of different Proprietary Marks. Franchisor shall reimburse Franchisee for all reasonable costs incurred by Franchisee which are associated with the substitution of different Proprietary Marks, except that Franchisee shall bear such costs if such substitution of Proprietary Marks coincides with Franchisee's required refurbishment of the Store as specified under Section 12.F. and 19.B. Franchisor shall have no liability for any loss of revenue or goodwill due to any new or discontinued Proprietary Mark.

15. CONFIDENTIAL OPERATING MANUAL. Franchisee shall conduct its business in strict accordance with the Manuals, one (1) copy of which shall be furnished or otherwise made available electronically to Franchisee on loan for the term of this Agreement. Franchisee shall at all times treat the Manuals and the information contained therein as confidential, and shall use all reasonable efforts to maintain such information as secret and confidential. Franchisee shall not at any time copy, duplicate, record, or otherwise reproduce the Manuals, in whole or in part, nor otherwise make the same available to any unauthorized person. The Manuals shall at all times remain the sole property of Franchisor and shall at all times be kept in a secure place on the Store premises. Franchisee acknowledges that Franchisor may from time to time revise the contents of the Manuals to implement new or different requirements for the operation of the Franchised Business, the implementation of which may require the expenditure of additional sums of money by Franchisee. Franchisee agrees to comply immediately (or by such later time as Franchisor may allow) with all new or changed policies, procedures or standards that are mandatory. Franchisee shall at all times ensure that its copy of the Manuals is kept current and up to date. In the event of any dispute as to the contents of the Manuals, the terms of the master copy of the Manuals maintained by Franchisor at Franchisor's home office shall be controlling.

16. ACCOUNTING AND RECORDS.

A. Records. Franchisee shall maintain and preserve for at least five (5) years from the dates of their preparation, all cash register tapes and full, complete, and accurate books, records, and accounts in accordance with generally accepted accounting principles and in the form and manner prescribed by Franchisor from time to time in the Manuals or otherwise in writing. Franchisee shall record all Gross Sales immediately at the time of sale and at the actual price charged to the customer on POS Systems approved by Franchisor which have a sealed and continuous tape which cumulates and consecutively numbers all purchases. Franchisee acknowledges and agrees that if Franchisor is required or permitted by statute, rule, regulation or any other legal requirement to disclose any information regarding Franchisee or the operation of the Store, including earnings or other financial information, Franchisor shall be entitled to disclose such information. Franchisor also shall be entitled to use any such information in connection with the business of Franchisor or its Affiliates. In addition, Franchisee hereby expressly authorizes Franchisor to disclose any such information to its agents and potential purchasers (and their employees, agents and representatives) of Franchisor in connection with the sale or transfer of any equity interests or assets of Franchisor or any merger, reorganization or similar restructuring of Franchisor.

B. Periodic Reports. On or before the twelfth (12th) day of each Period, Franchisee shall submit to Franchisor, in the manner and form prescribed by Franchisor in the Manuals or otherwise in writing, such reports as Franchisor may prescribe, all relating to Franchisee's business activities during the preceding Period, including copies of Franchisee's daily business log reports, periodic sales and royalty reports, periodic activity reports, and periodic advertising expenditure and contribution reports, and such other information as Franchisor may require relating to the operations of the Franchised Business during the preceding Period.

C. Miscellaneous. Franchisee shall also submit to Franchisor, for review or auditing, such other forms, reports, records, bank statements, cash register tapes, information, and data as Franchisor may reasonably require, including Franchisee's federal and state income tax returns, sales and employment tax returns and evidence of payment of any such taxes required by local law, in the form and at the times and places reasonably designated by Franchisor, upon request and as specified from time to time in the Manuals or otherwise in writing. In addition, Franchisee shall submit to Franchisor certain weekly and monthly information, data and reports as requested by Franchisor including fully completed cash disbursement, cash receipts, gross-to-net payroll, and accounts payable report forms, direct purchase reports and bank statements. Such records, forms and reports shall be in the form determined by Franchisor from time to time. All such reports and data shall be signed by Franchisee attesting that they are true and correct.

D. Audit. Franchisor or its designated agents shall have the right at all reasonable times to examine and copy, at Franchisor's expense, the books, records, and business tax returns of Franchisee. Franchisor shall also have the right, at any time, to have an independent audit made of the books of Franchisee. If an audit should reveal that any Gross Sales have been understated in any report to Franchisor, then Franchisee shall immediately upon demand pay to Franchisor all royalties and advertising contributions due on the amount understated, in addition to interest from the date such royalties and advertising contributions were due until paid, at the rate of one and one-half percent (1 1/2%) per month, or the maximum rate permitted by law, whichever is less. If an audit discloses an understatement of three percent (3%) or more in any report of Gross Sales, Franchisee shall, in addition to payment of all royalties and advertising contributions due, plus any interest thereon, reimburse Franchisor for all costs and expenses connected with the inspection and audit (including travel, lodging, and wage expenses and reasonable accounting, administrative and legal costs).

E. Financial Services. Franchisor or its Affiliate, for a monthly fee based on actual costs of the Franchisor, may (but is not obligated to) provide to Franchisee various financial support services (the "Financial Services"), which may, at Franchisor's discretion, include the following: data processing, accounting, and other operational services, including financial statements, monthly bank reconciliations, monthly cash flow statements, and monthly financial statement variance analysis; an annual physical inventory; and payroll and HR services provided by an outside vendor. If Franchisor chooses to provide the Financial Services, Franchisee may, at its option, use or decline the Financial Services provided by Franchisor. In special circumstances on a case-by-case basis, Franchisor may reduce fees for Financial Services for Franchisee or for one or more other franchisees for a period of time. Franchisor reserves the right to charge a monthly service charge up to 10% of the monthly service fee for the month(s) that required financial information is not timely provided as required by Franchisor. If Franchisor provides the Financial Services to Franchisee, Franchisor may discontinue any or all of them at any time for any reason. If Franchisor does not provide the Financial Services to Franchisee, or if Franchisee opts not to use the Financial Services, then Franchisee agrees to procure its own financial bookkeeping and payroll services, at its sole expense. If Franchisor does not provide the Financial Services to Franchisee, or if Franchisee opts not to use the Financial Services, then no later than twenty (20) days after the end of each calendar year during the term of the Agreement, Franchisee shall furnish to Franchisor, for the preceding calendar year, an annual profit and loss statement and balance sheet signed and verified by Franchisee as accurately reflecting the results of operations of Franchisee's GNC Store for the preceding calendar year. In addition, during the term of the Agreement, upon the request of Franchisor, Franchisee agrees to provide to Franchisor current interim financial statements (in a form acceptable to Franchisor) reflecting the operations of Franchisee's GNC Store.

## 17. ADVERTISING.

A. Fund Administration. The Fund shall be maintained and administered by Franchisor or its designee, as follows:

(i) Franchisor or its designee shall direct all advertising programs. Franchisor shall have sole discretion over the concepts, materials, and media used in such programs and the placement and allocation thereof. Franchisee agrees and acknowledges that the Fund is intended to maximize general public recognition, acceptance, and use of the System and that Franchisor and its designees are not obligated in administering the Fund to make expenditures for Franchisee which are equivalent or proportionate to Franchisee's contribution, or to ensure that any particular Franchisee benefits directly or pro rata from expenditures by the Fund. Franchisor does not warrant or represent that any or all of the advertising or promotional materials or campaigns will be successful or will achieve any particular result.

(ii) The Fund, all contributions thereto, and any earnings thereon shall be used exclusively to meet any and all costs of maintaining, administering, directing, and preparing advertising and/or promotional activities including the costs of preparing and conducting television, radio, magazine, and newspaper advertising; marketing surveys and other public relations activities; employing advertising agencies to assist therein; providing promotional and other marketing materials to the Stores operated under the System; costs associated with processing member contributions to the Fund; and payment of salaries and expenses of Franchisor and its Affiliates associated with administering the Fund and processing member contributions to the Fund.

(iii) All sums paid by Franchisee to the Fund shall be maintained in an account separate from the other monies of Franchisor. Franchisor or its designee shall maintain separate bookkeeping accounts for the Fund.

(iv) It is anticipated that all contributions to and earnings of the Fund generally will be expended for advertising and/or promotional purposes during the taxable year within which the contributions and earnings are received. If, however, excess amounts remain in the Fund at the end of such taxable year, all expenditures in the following taxable year(s) shall be made first out of accumulated earnings from previous years, next out of contributions from previous years, next out of current earnings, and finally from current contributions.

(v) The Fund is not and shall not be an asset of Franchisor or its designee. An unaudited report of the operations of the Fund as shown on the books of the Fund shall be prepared annually by Franchisor and shall be made available to Franchisee upon request.

(vi) Although the Fund is intended to be of perpetual duration, Franchisor maintains the right to terminate the Fund. The Fund shall not be terminated, however, until all monies in the Fund have been expended for advertising, set aside for future contracted advertising commitments and/or promotional purposes or returned to contributors on the basis of their respective contributions.

(vii) The expenditure of Fund monies is to be under the control of, and in the sole discretion of, Franchisor or its designee at all times. Franchisor reserves the right to forgive any payments due to the Fund by any franchisee and to, at its option, allow franchisees to spend monies due to the Fund on local advertising. Franchisor will not be liable for any act or omission with respect to the Fund that is consistent with this Agreement and done in good faith. Except as expressly provided in this Section 17, Franchisor assumes no direct or indirect liability or obligation to Franchisee with respect to the maintenance, direction or administration of the Fund. Franchisee acknowledges and agrees that Franchisor is not operating or acting as a trustee or fiduciary with respect to the Fund.

B. Co-operative/Local Advertising Fee. Franchisor shall have the right, in its discretion, to establish an advertising co-operative or a local advertising expenditure requirement at any time in the future upon notice to Franchisee. If such a co-operative is established, Franchisor shall have the right to require Franchisee's participation in said co-operative and to require Franchisee to sign any co-operative advertising agreement it deems necessary.

C. Promotional Materials. Franchisor shall make available to Franchisee from time to time, at Franchisee's expense in such amounts to cover Franchisor's direct costs, advertising plans and promotional materials, including newspaper mats, coupons, merchandising materials, sales aids, point-of-purchase materials, special promotions, direct mail materials, community relations programs, and similar advertising and promotional materials.

D. Advertising Standards. All advertising and Media communications by Franchisee in any medium shall be conducted in a dignified manner, shall be completely truthful, accurate, and not misleading, shall comply with the highest ethical standards applicable to advertising generally and the business in particular, shall comply with all federal, state, and local laws and regulations, including rules and regulations of the FDA, the FTC, and all applicable consumer protection agencies and bureaus, and shall conform to such standards and requirements as Franchisor may specify from time to time in the Manuals or otherwise in writing.

E. Telephone Directory Listing/Advertisements. Listings and advertisements in local telephone directories obtained by Franchisee, if any, shall be in the form, size, and type of directory specified by the Franchisor in the Manuals or otherwise in writing. Such listings and advertisements shall be at Franchisee's cost, are in addition to the Advertising Fee, and shall not be paid for out of the Fund.

F. Approval. Franchisee shall submit samples of all advertising, promotional plans and materials proposed to be used by Franchisee or any organization or association in which Franchisee is a member whose business relates, directly or indirectly, to Franchisor or the Franchised Business, and any other advertising or promotional media to Franchisor (via U.S. mail, return receipt requested) for its approval (except with respect to prices to be charged), if such plans and materials have not been prepared or previously approved by Franchisor, and Franchisee shall not use any such advertising or promotional plans or materials prior to receiving written approval of the same from Franchisor. This requirement shall apply to any and all advertising, promotional plans or materials, and any other advertising or promotional media, including, but not limited to, those placed by Franchisee directly or indirectly, those placed on Franchisee's behalf by another person, and those to which Franchisee contributes any financial or other consideration. If written approval is not received by Franchisee from Franchisor within thirty (30) days of date of receipt by Franchisor of such samples or materials, Franchisor shall be deemed to have disapproved them.

G. Pricing. Franchisee shall generally have the right to sell its products and to offer its services at any prices Franchisee may determine; provided, however, that to the fullest extent permitted by law, Franchisor shall have the right to establish minimum and/or maximum prices for any product or service offered by Franchisee. Franchisee acknowledges that Franchisor and its Affiliates and any of their respective licensees, may sell the same products as Franchisee, including GNC Brand Supplements, at discounted prices or other retail prices below those established by Franchisee.

## 18. TRANSFER OF INTEREST.

A. Transfer by Franchisor. Franchisor shall have the right to transfer or assign all or any part of this Agreement and Franchisor's rights or obligations herein to any person or legal entity without Franchisee's consent, and upon such transfer or assignment, the transferee or assignee shall be solely responsible for all of Franchisor's obligations arising under this Agreement subsequent to the transfer or assignment. In addition, Franchisor shall have the right to delegate performance of any or all of its obligations and duties hereunder. Franchisee agrees and affirms that Franchisor may sell its assets, the Proprietary Marks and/or the GNC System to a third-party; may offer its securities privately or publicly; may merge, acquire other corporations, or be acquired by another corporation; and/or may undertake a refinancing, recapitalization, leveraged buyout or other economic or financial restructuring. Franchisee further agrees and affirms that Franchisor has the right, now or in the future, to purchase, merge, acquire or affiliate with an existing competitive or noncompetitive franchise network, chain or any other business regardless of the location of that chain's or business' facilities, and to operate, franchise or license those businesses and/or facilities as GNC Stores operating under the Proprietary Marks or any other marks following Franchisor's purchase, merger, acquisition or affiliation, regardless of the location of these facilities, which Franchisee acknowledges may be proximate to any of its Stores; provided, that Franchisor

will not operate, franchise or license such businesses as GNC Stores operating under the Proprietary Marks within Franchisee's Protected Territory during the Protective Period. With regard to any of the above sales, assignments and dispositions, Franchisee expressly and specifically waives any claims, demands or damages arising from or related to the loss of Franchisor's name, the Proprietary Marks (or any variation thereof) and the GNC System and/or the loss of association with or identification of GNC Holdings, LLC under this Agreement. If Franchisor assigns its rights in this Agreement, nothing in this Agreement shall be deemed to require Franchisor to remain in the Franchised Business or to offer or sell any products or services to Franchisee.

B. Transfer by Franchisee

(i) Franchisee understands and acknowledges that the rights and duties set forth in this Agreement are personal to Franchisee, and that Franchisor has granted this franchise in reliance on the business skill, financial capacity, and personal character of Franchisee and its Principals. Accordingly, neither Franchisee nor any immediate or remote successor to any part of Franchisee's interest in this Agreement nor any individual or Entity which directly or indirectly controls Franchisee shall subfranchise, sell, assign, transfer, merge, convey or give away (each a "Transfer"), in whole or in part, any direct or indirect interest in this Agreement or in Franchisee or the Franchised Business without the prior written consent of Franchisor. In addition, if Franchisee is an Entity, the shareholders, members, partners, beneficiaries, investors or other equity holders (collectively, "Equity Holders") of Franchisee, as the case may be, may not, directly or indirectly, Transfer their equity interests in Franchisee (each an "Equity Transfer") without the prior written consent of Franchisor. Furthermore, in the event that any Equity Holder of Franchisee is an Entity, the interests of any such Equity Holder may not be Transferred without the prior written consent of Franchisor. Notwithstanding the foregoing, Franchisor's prior written consent shall not be required for a Transfer of less than a five percent (5%) interest in a publicly-held corporation, provided that such Transfer does not result in a change in control of such Entity, Franchisee or the Franchised Business. Any Transfer in violation of this Agreement or the Manuals or other writing that Franchisor may prescribe shall be void and of no force and effect. In the event of any such Transfer in violation of this Agreement, Franchisee shall be in default hereunder and Franchisor shall be entitled to immediately terminate this Agreement on notice to Franchisee.

(ii) Franchisor's approval of any Transfer may be conditioned, in Franchisor's sole discretion, on any or all of the following:

(a) All of Franchisee's accrued monetary obligations to Franchisor or any Affiliate of Franchisor shall have been satisfied, all or a portion of which Franchisor may require to be paid in immediately available funds, including wire transfers, on or before the date of Transfer;

(b) Franchisee is not in default of any provision of this Agreement or any Related Agreement (as defined in Attachment A);

(c) The Franchisee/transferor and if the transferee is an existing franchisee of Franchisor, the transferee, and their respective Principals and any Entity in which they have any ownership interest or control, directly or indirectly, whose business relates in any way to the Franchised Business, the Products or GNC, shall have executed a general release in a form prescribed by Franchisor, of any and all claims against Franchisor or any of its Affiliates and their respective officers, directors, shareholders, and employees, in their corporate and individual capacities, including claims arising under federal, state, and local laws, rules, and ordinances, which arise out of or are in any way related to any existing contract or franchised business with Franchisor or its Affiliates;

(d) The transferee and his or her spouse (and, if the transferee is not an individual, all owners of a beneficial interest in the transferee and their respective spouses) shall (i) enter into a written assignment, in a form prescribed by Franchisor, assuming and agreeing to discharge all of Franchisee's obligations under this Agreement and (ii) guarantee the performance of all such obligations in writing in a form prescribed by Franchisor as it deems necessary for adequate security;

(e) In the event the Store is not in compliance with Franchisor's policies, procedures or standards as set forth in this Agreement, the Manuals or otherwise in writing, including, but not limited to, minimum acceptable inventory levels as determined by Franchisor, the transferee shall agree in a writing prescribed by Franchisor to be responsible, at its cost, for achieving compliance with such policies, procedures or standards within a reasonable period of time, as determined by Franchisor, following the Transfer;

(f) The transferee (and, if the transferee is not an individual, such owners of a beneficial interest in the transferee as Franchisor may request) shall demonstrate to Franchisor's satisfaction that the transferee meets Franchisor's educational, managerial, and business standards; possesses a good moral character, business reputation, and credit rating; has the aptitude and ability to conduct the Franchised Business (as may be evidenced by prior related business experience or otherwise); and has adequate financial resources and capital to operate the Franchised Business on a continuing basis under the System;

(g) At Franchisor's option, the transferee (and, if the transferee is not an individual, all owners of a beneficial interest in the transferee) shall execute the then-current standard form Franchise Agreement with a term equal to, at the option of Franchisor (i) the then-current full franchise term and such renewal term(s), if any, being offered by Franchisor to new franchisees, or (ii) the remaining term of this Agreement and such renewal term(s), if any, being offered by Franchisor to new franchisees, or (iii) the remaining term of the current lease for the Franchised Business, and such other ancillary agreements as Franchisor may require for the Franchised Business, which agreements shall supersede this Agreement in all respects and the terms of which agreements may differ from the terms of this Agreement; provided, that the transfer fee described in Section 18.B.(ii)(1) below shall be in lieu of the initial franchise fee, and, provided further, in the event of an Administrative Transfer (as defined in Attachment A) or an Equity Transfer, directly or indirectly, of less than a fifty percent (50%) ownership interest in Franchisee ("Minority Equity Interest"), the term shall be equal to the remaining term of this Agreement and such renewal term(s), if any, as may be provided thereafter by this Agreement;

(h) The transferee shall execute a Product Sales Agreement and any such other documents required by Franchisor, including, without limitation, the guaranties contemplated by Section 5.B.(ii) hereof or as otherwise required by Franchisor;

(i) The transferee shall, at its expense, upgrade the Store to conform to the then-current standards and specifications for stores under the System, and shall complete the upgrading and other reasonable requirements within the time specified by Franchisor;

(j) Franchisee and each guarantor of this Agreement shall remain liable for all obligations of the Franchised Business prior to the effective date of the Transfer and shall execute any and all instruments reasonably requested by Franchisor to evidence such liability;

(k) At the transferee's expense, the transferee (and if transferee is not an individual, its Designated Principal) and the transferee's manager shall complete any training program then in effect for franchisees upon such terms and conditions as Franchisor may require;

(l) Franchisee or the transferee shall pay to Franchisor a transfer fee determined by Franchisor in its sole discretion, but which will not exceed the then-current undiscounted initial franchise fee being charged to new franchisees for a new Store, with the exception of (i) Administrative Transfers (as defined in Attachment A), in which case, the transfer fee shall be \$1,000, and (ii) a Transfer of a Minority Equity Interest, in which case, the transfer fee shall be \$2,500, to cover Franchisor's supervisory, administrative, accounting, legal, training and other costs and expenses in connection with the Transfer;

(m) With the exception of an Administrative Transfer (as defined in Attachment A) or a Minority Equity Interest Transfer, Franchisee shall have first offered to sell such interest to Franchisor pursuant to Section 18.C. and Franchisor shall have declined such offer in the manner set forth herein;

(n) Minority Equity Interest Transfers and Administrative Transfers shall be limited to no more frequently than one such Transfer per Franchise Term, unless otherwise approved in writing by Franchisor, in its sole discretion.

(o) The terms and conditions of the proposed Transfer shall be satisfactory to Franchisor and shall require the use of an escrow company, satisfactory to Franchisor, for the transaction; and

(p) Neither transferee nor any of its Affiliates, principals or beneficial owners shall be associated with or own a direct or indirect interest in a Competitive Business.

(iii) The Transfer, pledge, or hypothecation of all or any part of the assets of the Franchised Business and, if Franchisee is an Entity, all or any part of the equity interest in such entity, to banks or other lending institutions as collateral security for loans made directly to or for the benefit of the Franchised Business shall require the prior written approval of Franchisor.

(iv) Franchisee acknowledges and agrees that each condition set forth above is necessary to assure such transferee's full performance of the obligations hereunder.

(v) If Franchisee is a limited partnership or a limited liability company, Franchisee may not remove or appoint, or permit the limited partners or members to remove or appoint, a new or successor general partner or limited liability company manager without the prior written consent of Franchisor (even if such appointment is due to the resignation, death or Incapacity of the general partner or manager).

C. Right of First Refusal. If Franchisee proposes to sell, transfer or otherwise dispose of all or any portion of Franchisee's right, title or interest in and to the Franchised Business or (except in the ordinary course of business) any of the assets thereof to any third party or if any party who holds any interest in Franchisee or in this Agreement (the transfer of which interest would have the effect of transferring a controlling interest in the Franchised Business) desires to sell such assets or interest to any third party, Franchisee or any such party shall notify Franchisor in writing of the proposed terms of each such sale (each a "ROFR Notice") and shall provide to Franchisor copies of the offer and all related documents and agreements and all such information as Franchisor may reasonably request concerning the proposed purchaser and/or transaction), and Franchisor shall have the right and option, exercisable by written notice to the seller within thirty (30) days after receipt of such written notification and of all such related documents, agreements and reasonably requested information (the "ROFR Period"), to purchase the seller's interest or the assets on the same proposed terms and conditions as set forth in the ROFR Notice and related documents provided by the seller (or, if, in the opinion of Franchisor, circumstances render an exact

“match” of the sale terms not practicable, then the monetary equivalent of such terms and conditions, provided that if the parties cannot agree within a reasonable time on the reasonable equivalent in cash of the consideration, terms, and/or conditions of the sale to the third party, an independent appraiser shall be designated by Franchisor, and his or her determination shall be binding). During the ROFR Period, the seller shall not be permitted to transfer, sell or otherwise dispose of such interest or assets to any third party, and Franchisor shall have no obligation whatsoever with respect to any revised or additional offer with respect to such interest or assets, other than that reflected in the terms and conditions described in the ROFR Notice. In the event that Franchisor elects to purchase the assets or seller’s interest, closing on such purchase must occur within one hundred and twenty (120) days from the date of notice to the seller of the election to purchase by Franchisor or such later date as may have been provided in the terms of sale to the third party. In the event that Franchisor does not elect to exercise its rights of first refusal with respect to the offer described in the ROFR Notice and the seller proceeds with the proposed sale, then any material change in the terms of such proposed sale prior to closing therefor shall constitute a new sale requiring a new ROFR Notice and shall be subject to the same rights of first refusal by Franchisor as in the case of an initial sale. For purposes hereof, “material change” shall include but shall not be limited to any change in the amount, form of payment or schedule for payment of the proposed purchase price. If the sale to the third party is not completed within one hundred and eighty (180) days after the expiration of the applicable ROFR Period described herein, the seller shall notify Franchisor of such fact and Franchisor shall be entitled to purchase seller’s interest on the same terms and conditions as the terms of sale of the third party, or the monetary equivalent thereof. Failure of Franchisor to exercise any option afforded by this Section 18.C. shall not constitute a waiver of any other provision of this Agreement, including all of the requirements of this Section 18, with respect to a proposed Transfer.

D. Transfer Upon Death or Incapacity.

(i) Upon the death or Incapacity of any person with an interest in the Franchised Business or in Franchisee (the effect of which would cause the Franchised Business to temporarily or permanently cease to operate in full compliance with all requirements of this Agreement), Franchisee shall immediately notify Franchisor of such event. Franchisor may, in its sole discretion, but without any obligation to do so, immediately enter upon the Store premises, and install a manager to manage and operate the Franchised Business for such time as Franchisor deems necessary, or until an approved Transfer in accordance with the terms of Section 18.D.(ii) occurs. Franchisor shall be entitled to compensation and recoupment of expenses incurred during this period at a rate of \$2,000 per week. If Franchisor assumes the Store’s management, Franchisee acknowledges that Franchisor will have a duty to utilize only reasonable efforts and will not be liable to Franchisee or its Principals for any debts, losses or obligations the Store incurs, or to any of Franchisee’s creditors for any supplies or services the Store purchases while the Franchisor manages it.

(ii) Upon the death or Incapacity of any person with any interest in the Franchised Business or in Franchisee (the transfer of which interest would have the effect of transferring a controlling interest in the Franchised Business), the executor, administrator, or personal representative of such person shall transfer his or her interest to a third party approved by Franchisor within six (6) months after such death or Incapacity. Such transfers, including transfers by devise or inheritance, shall be subject to the same conditions as any inter vivos transfer (transfer by conveyance). However, in the case of transfer by devise or inheritance, if the heirs or beneficiaries of any such person are unable to meet the conditions in this Section 18, the personal representative of the deceased person shall have a reasonable time to dispose of the deceased’s interest in the Franchised Business or Franchisee, which disposition shall be subject to all the terms and conditions for Transfers contained in this Agreement. If an approved transfer is not effected within a reasonable time, Franchisor may terminate this Agreement, immediately upon written notice to the personal representative or the executor, administrator or any living person having an ownership interest in the Franchised Business. As used in this Section 18.D., “Franchisee” may include an incapacitated or

deceased controlling shareholder, partner, member, investor or other equity holder where the context so requires.

E. Non-Waiver of Claims. Franchisor's consent to a Transfer of any interest in the franchise granted herein shall not constitute a waiver of any claims Franchisor may have against the transferring party, nor shall it be deemed a waiver of Franchisor's right to demand exact compliance with any of the terms of this Agreement by the transferees.

F. Offerings by Franchisee. Securities in Franchisee may not be offered to the public by private offering or otherwise without the prior written consent of Franchisor. If securities in Franchisee are offered to the public, by private offering or otherwise, all materials required for such offering by federal or state law shall be submitted to Franchisor for review prior to their use or filing with any government agency; and any materials to be used in any offering exempt from federal or state securities laws shall be submitted to Franchisor for review prior to their use. No such offering shall imply (by use of the Proprietary Marks or otherwise) that Franchisor is participating in underwriting, issuing, or offering securities of Franchisee or Franchisor; and Franchisor's review of any offering shall be limited solely to the subject of the relationship between Franchisee and Franchisor. Franchisee and the other participants in the offering must fully indemnify Franchisor in connection with the offering. For each proposed offering, Franchisee shall pay Franchisor a non-refundable fee of \$Five Thousand Dollars (\$5,000) to cover Franchisor's costs and expenses associated with reviewing the proposed offering, including legal and accounting costs. Franchisee shall give Franchisor written notice at least thirty (30) days prior to the date of commencement of any offering or other transaction covered by this Section 18.F. to enable Franchisor the opportunity to exercise its right of first refusal as provided in Section 18.C. Notwithstanding Franchisor's approval of a public offering, the remaining provisions of Section 18 shall apply to the Transfer.

19. CONDITIONAL RENEWAL OF FRANCHISE. This Agreement shall not automatically renew upon the expiration of the Franchise Term. Subject to the term of the lease or sublease for Franchisee's Store, Franchisee has the option to renew the franchise upon expiration of the Franchise Term for one (1) additional consecutive term of five (5) years, if, and only if, each and every one of the following conditions has been satisfied:

A. Notice and Approval. Franchisee shall give Franchisor written notice ~~of Franchisee's election stating whether or not Franchisee intends~~ to renew the franchise not less than six (6) months nor more than twelve (12) months ~~nor more than eighteen (18) months~~ prior to the end of the Franchise Term. If ~~Franchisor~~ Franchisee does not ~~receive the written renewal comply with this~~ notice ~~required above within requirement (including the required time frame, requirement to give notice that Franchisee does not intend to renew the franchise)~~, (1) Franchisor shall have no obligation to renew ~~this Agreement. Such renewal~~ the franchise, and (2) Franchisor may charge Franchisee a non-compliance fee, not to exceed One Thousand Dollars (\$1,000), due on demand, for failure to give the notice required by this Section 19.A. (which includes failure to give notice that Franchisee does not intend to renew the franchise). Renewal shall be subject to Franchisor's prior approval. Franchisor's failure to respond to Franchisee's renewal request shall not constitute a default under this Agreement;

B. Remodeling. Franchisee shall complete or provide for, at its own expense and to Franchisor's satisfaction, such maintenance, renovation and modernization of the Store premises as Franchisor may in its sole discretion require, including, but not limited to, replacement of signs, equipment, furnishings, and decor, to reflect the then-current image of the System and the particular type and grade of location for the Store;

C. No Default. Franchisee shall have maintained the System standards and otherwise sustained compliance with the terms and conditions of this Agreement and all Related Agreements (as

defined in Attachment A) over the term of this Agreement. Franchisee shall not be, when notice of renewal is given, or at any time thereafter prior to the expiration of the then-current Franchise Term, in default of any provision of this Agreement or any Related Agreement (as defined in Attachment A); Franchisee shall not have had, when notice of renewal is given, or at any time thereafter prior to the expiration of the then-current Franchise Term, three (3) or more defaults (even if cured) for failure to pay royalties or any other sums owed to Franchisor during the term of this Agreement or any Related Agreement (as defined in Attachment A); and Franchisee shall have fully and faithfully complied with all the terms and conditions of such agreements during the terms thereof;

D. Payment. Franchisee shall have satisfied all monetary obligations owed by Franchisee to Franchisor and its Affiliates, as well as to lessors, sublessors, vendors and suppliers of the Store, and shall have timely met such obligations throughout the term of this Agreement;

E. Premises. Franchisor shall have approved, in its sole discretion, the continued operation of the Franchised Business at the Store premises and the terms of any lease extension or new lease covering the renewal term, whether the lease for the Store premises is with Franchisor or Franchisor's Affiliate or with a third party, including a third party in which Franchisee has an interest; If Franchisee subleases the Store premises from Franchisor or Franchisor's Affiliate, Franchisee agrees that Franchisor or Franchisor's Affiliate has no obligation to exercise any lease option, if available, or otherwise extend the term of any master lease for the renewal term to accommodate this Conditional Renewal Term;

F. Franchise Agreement and Renewal Fee. Franchisee and its Principals shall execute Franchisor's then-current form of franchise agreement, and any accompanying addenda and ancillary agreements (including the guaranties contemplated by Section 5.B.(ii) hereof or as otherwise required by Franchisor), for such renewal term, which agreement shall supersede this Agreement in all respects, and the terms of which may differ substantially from the terms of this Agreement, including the Royalty Fees; provided, however, that Franchisee shall pay to Franchisor, in lieu of an initial franchise fee, a Renewal Fee equal to Twelve Thousand Five Hundred Dollars (\$12,500), and Franchisor may waive any of the Pre-Opening Obligations to the extent they are inapplicable or already fulfilled by Franchisee to Franchisor's satisfaction. The Renewal Fee shall be paid to Franchisor on or before the expiration date of this Agreement (the "Renewal Fee Due Date"). If the Renewal Fee is not paid in full by the Renewal Fee Due Date, Franchisor may thereafter charge late fees and interest on the unpaid portion of the Renewal Fee in accordance with Section 4.G. Any obligation to pay late fees and/or interest on the unpaid portion of the Renewal Fee shall survive the expiration of this Agreement. The Renewal Fee shall be fully earned by Franchisor in consideration of granting the renewal franchise and shall be non-refundable except as otherwise provided in this Agreement. If Franchisee is leasing or subleasing the Store premises, and the remaining term of the lease or sublease is shorter than the 5-year renewal term, then Franchisor shall have the right, in its sole discretion, to adjust the term of the renewal franchise agreement to match the term of the lease or sublease for the Store, and, in such case, Franchisor may, in its sole discretion, charge a Renewal Fee that is less than the Renewal Fee set forth in this paragraph;

G. Release. Franchisee and its Principals and any entity in which they have any ownership interest or control, directly or indirectly, whose business relates in any way to the Franchised Business, the Products or Franchisor, shall execute a general release covering all existing GNC franchised stores in which such parties have an interest, in a form prescribed by Franchisor, of any and all claims against Franchisor and its Affiliates, and their respective officers, directors, agents, and employees;

H. Training. Franchisee shall comply with Franchisor's then-current qualification and training requirements for renewal franchisees;

I. Ability to Operate the Franchised Business at a Profit. Franchisee's Gross Sales during the Franchise Term have enabled Franchisee to cover all costs of operating the Franchised Business; and

J. Credit Rating. Franchisee shall have a sound credit rating with all trade purveyors and service agencies and sufficient financial resources to continue to operate the Franchised Business in accordance with the requirements of the then-current form of franchise agreement.

20. DEFAULT AND TERMINATION.

A. Automatic Termination without Notice or Opportunity to Cure. Franchisee shall be in default under this Agreement and all rights granted herein shall automatically terminate without notice to Franchisee:

(i) If Franchisee shall become or be adjudicated insolvent or bankrupt, fails to pay debts as they come due and/or admits in writing its inability to pay debts as they come due or makes a general assignment for the benefit of creditors;

(ii) If a petition in bankruptcy is filed by Franchisee or such a petition is filed against and not opposed by Franchisee or proceedings for a composition with creditors under any state or federal law are instituted by or against Franchisee;

(iii) If a bill in equity or other proceeding for the appointment of a receiver of Franchisee or other custodian for Franchisee's business or assets is filed and consented to by Franchisee or such receiver or other custodian (permanent or temporary) is appointed by any court of competent jurisdiction;

(iv) If a final judgment against Franchisee remains unsatisfied or of record for thirty (30) days or longer (unless a supersedeas bond is filed);

(v) If execution is levied against Franchisee's business or property or the real or personal property of the Store shall be sold after levy thereupon by any sheriff, marshal, or constable;

(vi) If suit to foreclose any lien or mortgage against the premises or equipment of the Store is instituted against Franchisee and not dismissed within thirty (30) days; or

(vii) If Franchisee is dissolved either voluntarily or involuntarily.

**WAIVER OF AUTOMATIC STAY**

**If Franchisee shall (i) file with any bankruptcy court of competent jurisdiction or be the subject of any petition under Title 11 of the U.S. Code, as amended (the "Bankruptcy Code"), (ii) be the subject of any order for relief issued under the Bankruptcy Code, (iii) file or be the subject of any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any present or future federal or state act or law relating to bankruptcy, insolvency, or other relief to debtors, (iv) have sought or consented to or acquiesced in the appointment of any trustee, receiver, conservator, or liquidator, or (v) be the subject of any order, judgment, or decree entered by any court of competent jurisdiction approving a petition against such party for any reorganization, arrangement, composition, readjustment, liquidation, dissolution, or similar relief under any bankruptcy, insolvency, or relief for debtors, then (a) Franchisor shall thereupon be entitled to relief from any automatic stay imposed by § 362 of the Bankruptcy Code, or any similar provision, (b) Franchisee hereby stipulates and agrees that "cause" under § 362 (c) of the Bankruptcy**

**Code exists for relief from the automatic stay, (c) Franchisee hereby expressly waives any protection afforded by the automatic stay and any objection to Franchisor's relief therefrom, and (d) Franchisee agrees not to oppose or object to such relief.**

B. Termination by Franchisor on Notice without Opportunity to Cure. Upon the occurrence of any of the following events, Franchisee shall be in default hereunder, and Franchisor may, at its option, terminate this Agreement and all rights granted hereunder, without affording Franchisee any opportunity to cure the default, effective immediately upon receipt of notice by Franchisee:

(i) If Franchisee neglects, fails or refuses to comply with any of the Pre-Opening Obligations, or if Franchisee fails to open the Store for business, on or prior to the end of the Pre-Opening Period;

(ii) If Franchisee fails to timely procure or maintain the insurance required to be procured and maintained by Franchisee under Section 9;

(iii) If Franchisee abandons the Franchised Business, or fails to maintain operating hours required under the lease for the Store premises for three (3) consecutive business days, or relocates the Franchised Business without the prior written approval of Franchisor or if the Franchisee loses the right to possession of the Store premises, including, without limitation, by failing or refusing to execute a lease or a renewal or extension of a lease for the Store premises or otherwise, or otherwise forfeits the right to do or transact business in the jurisdiction where the Store is located;

(iv) If Franchisee or any of its Principals is convicted of, or has entered a plea of nolo contendere to, a felony, a crime involving moral turpitude, or any other crime or offense that Franchisor believes is reasonably likely to have an adverse effect on the System, the Proprietary Marks, and the goodwill associated therewith, or Franchisor's interest therein;

(v) If Franchisee or any Principal of Franchisee purports to Transfer any rights or obligations under this Agreement or any interest in Franchisee or the Franchised Business to any third party without Franchisor's prior written consent, contrary to the terms of Section 18 of this Agreement;

(vi) If Franchisee or any of its Principals, as applicable, fails to comply with the covenants in Section 22.A., 22.B. and 22.C. or fails to obtain and deliver the executed covenants which may be required under Sections 22.I. and 22.J.;

(vii) If Franchisee, or any of its Principals, employees, agents or representatives, has made any material misrepresentations, or has provided any false, misleading, inaccurate or incomplete information, whether written or oral, in connection with Franchisee's application to Franchisor for the franchise granted herein or in connection with the operation of the Franchised Business pursuant to this Agreement, including, repeatedly failing to correctly record each sale on the approved POS System immediately at the time of such sale and at full retail price as required under Section 16.A.;

(viii) If Franchisee, or any of its employees, agents or representatives, engages in fraudulent conduct, including knowingly maintaining false books or records, submitting or making any false reports or statements to Franchisor, or attempting to adjust the POS System or manipulate data input thereon to decrease Franchisee's royalty obligation, cause issuance of credits to Franchisee to which it is not entitled, or otherwise cause data presented not to be true and correct; or if Franchisee, or any of its employees, agents or representatives, denies Franchisor's authorized representatives immediate access to the Store or to Franchisee's books and records for the purposes of an audit or inspection;

(ix) If Franchisee, after receiving notice of termination for a default under Section 20.C. hereof, fails to immediately initiate a remedy to cure such default;

(x) If Franchisee is in default under Section 20.C. hereof for failure to comply with any requirements imposed by this Agreement more than once;

(xi) If Franchisee commits an event of default under this Agreement or any Related Agreement (as defined in Attachment A), and fails to cure such default within the applicable cure period, if any, specified in such agreement;

(xii) If Franchisee engages in illegal activities on or about the Store premises or otherwise in connection with the operation of the Franchised Business;

(xiii) If Franchisee, or any of its employees, agents or representatives, assaults, threatens, verbally or otherwise, the health or safety of, or engages in repeated or a pattern of abusive treatment against, Franchisee's customers, any member of the general public, other franchisees, or any employees, agents or representatives of Franchisor or its Affiliates;

(xiv) If Franchisee markets, offers or sells any products or services which are banned by Franchisor, the Food and Drug Administration, any state agency or any federal, state or local law, statute, regulation or ordinance; engages in any acts or omissions which violate applicable law, including libel and slander laws; engages in any conduct which creates a material risk of danger to health or safety; or engages in any activity which is likely to be directly or indirectly injurious or prejudicial to the goodwill associated with the Proprietary Marks;

(xv) If Franchisee has received at least three (3) default notices from Franchisor within a twelve (12) month period, even if such default is subject to a right to cure or is cured after notice is delivered to Franchisee;

(xvi) If Franchisee operates a mail order, direct mail, catalog, telemarketing, wholesale, exporting, distribution, direct sales, direct marketing or similar business, including through the use of the Internet, which permits customers to purchase and receive products or services without being present at the Approved Location, contrary to the terms of Section 2.B. of this Agreement;

(xvii) If Franchisee does not provide Franchisor with a complete, executed copy of the lease for the Approved Location, if Franchisee is directly leasing the Approved Location; or

(xviii) If Franchisee or any guarantor of its obligations under this Agreement becomes a Specially Designated National or Blocked Person or fails to comply with Section 30 of this Agreement, including a breach of the representations set forth in Section 30 or Franchisor discovers through notice from Franchisee or through its own investigation that representations set forth in Section 30 are or have become false.

C. Termination by Franchisor on Notice with Opportunity to Cure. Except as provided in Sections 20.A. and 20.B. of this Agreement, Franchisee shall be in default under this Section 20.C. for the failure to comply with any of the requirements imposed by this Agreement, the Manuals or any other written policies or requirements of Franchisor. In the case of a default under this Section 20.C., Franchisee shall have thirty (30) days (except that Franchisee shall have five (5) days for failure by Franchisee to pay any amounts due to Franchisor hereunder by their due date) after its receipt from Franchisor of a written notice of termination pursuant to this Section 20.C. within which to remedy any default hereunder and provide evidence thereof to Franchisor, and to pay a fee to Franchisor in an amount not to exceed \$1,000 for each

default occurrence for Franchisor's administrative costs associated with managing such default; provided, that if such default is not susceptible of being cured, this Agreement shall terminate on notice to Franchisee of the default. Franchisee shall, upon receiving such notice, immediately initiate a remedy to cure such default. If Franchisor, in its sole discretion, determines that Franchisee is unable to operate the Store in accordance with Franchisor's requirements during the cure period, Franchisor may, in its sole discretion, assume operations of the Store until such time that Franchisee has remedied all defaults. Franchisee agrees to pay to Franchisor a management fee equal to 10% of the Store's total Gross Sales during any period of time in which Franchisor is operating the Store, which fee shall be in addition to any royalties and fees payable to Franchisor pursuant to this Agreement. If any default under this Section 20.C. is not cured within the time frames set forth herein, or such longer period as applicable law may require, this Agreement shall terminate without further notice to Franchisee effective immediately upon the expiration of the thirty (30) day period (or five (5) day period in the case of the failure by Franchisee to pay any amounts due to Franchisor by their due date) or such longer period as applicable law may require.

D. Termination by Franchisee on Notice with Opportunity to Cure. If Franchisee is in compliance with this Agreement and Franchisor breaches this Agreement in any material respect and fails to cure such material breach or put forth diligent efforts to cure such material breach within ninety (90) days after written notice thereof is delivered to Franchisor, Franchisee may terminate this Agreement effective ten (10) days after delivery to Franchisor of notice thereof. Notwithstanding the foregoing, if the breach is curable but is of a nature which cannot reasonably be cured within such ninety (90) day period and Franchisor has commenced and is continuing to make good faith efforts to cure such breach, Franchisor shall be given an additional sixty (60) day period to cure the same, and this Agreement shall not terminate. In the event of termination by Franchisee, all post-termination obligations of Franchisee described herein shall not be waived but shall be strictly adhered to by Franchisee.

21. EFFECT OF AND OBLIGATIONS UPON TERMINATION OR EXPIRATION. Upon expiration or termination of this Agreement, regardless of which party terminates this Agreement, all rights granted hereunder to Franchisee shall forthwith terminate and be of no further force and effect, and:

A. Liquidated Damages. Franchisee acknowledges and confirms that by granting Franchisee the license to operate the Store in the Protected Territory, Franchisor lost the opportunity to grant a franchise in the Protected Territory to another person or Entity or itself to own and operate a Store within the Protected Territory. Additionally, Franchisee confirms that Franchisor will suffer substantial damages by virtue of the termination of this Agreement, including lost Royalty Fees, lost market penetration and goodwill in the Protected Territory, lost opportunity costs and the expense Franchisor will incur in developing another franchise in the Protected Territory, which damages are impractical and extremely difficult to ascertain and/or calculate correctly, and the proof of which would be burdensome and costly, although such damages are real and meaningful to Franchisor and the GNC System. Accordingly, in the event that Franchisor terminates this Agreement for Franchisee's default hereunder, Franchisee agrees to pay to Franchisor in a lump sum on the effective date of termination, liquidated damages, which represent a fair and reasonable estimate of Franchisor's foreseeable losses as a result of such termination, and which are not in any way intended to be a penalty, in an amount determined as follows:

(i) the greater of (a) the average monthly amount of Royalty Fees payable by Franchisee to Franchisor for the two (2) years immediately preceding the date of termination or (b) the average monthly amount of Royalty Fees payable by Franchisee to Franchisor for the twelve (12-) month period immediately preceding the date of termination; provided, however, if the Store has not been open for at least twelve (12) months, the average monthly amount of Royalty Fees payable by Franchisee to Franchisor for the months in which the Store has been open;

(ii) multiplied by the number of months remaining in the then-current term of this Agreement.

Franchisee acknowledges that its obligation to pay Franchisor liquidated damages is in addition to, and not in lieu of, Franchisee's obligations to pay other amounts due to Franchisor under this Agreement up to the date of termination and to strictly comply with any other post-termination obligations required hereunder. Should any valid, applicable law or regulation of a competent governmental authority having jurisdiction over this Agreement limit Franchisee's ability to pay, and Franchisor's ability to receive, such liquidated damages, Franchisee shall be liable to Franchisor for any and all damages which it incurs, now or in the future, as a result of Franchisee's default under this Agreement.

B. Cessation of Franchised Business and Disassociation. Franchisee shall immediately cease to operate the Franchised Business and shall not thereafter, directly or indirectly, represent to the public or hold itself out as a present or former franchisee of Franchisor.

C. Proprietary Marks, Information and Materials. Franchisee shall immediately and permanently cease to use, by advertising or in any other manner whatsoever, any confidential methods, procedures, and techniques associated with the System and the Proprietary Marks. Any license to use the System and the Proprietary Marks immediately shall terminate and Franchisor has the right to immediately terminate Franchisee's access to the POS System. In particular, without limitation, Franchisee shall cease to use all signs, equipment, advertising materials, stationery, forms, and any other articles which display the Proprietary Marks; provided, however, that this Section 21.C. shall not apply to the operation by Franchisee of another GNC Store under the System, pursuant to another agreement between Franchisor and Franchisee which is then in effect. Franchisee shall take all necessary steps to assign, transfer or surrender to Franchisor or otherwise place in Franchisor or its designee title to all such names or marks (other than the Proprietary Marks) which Franchisee may have used during the term of this Agreement in connection with the operation of the Store. Franchisee shall not use any reproduction, counterfeit, copy, or colorable imitation of the Proprietary Marks in connection with any business or for any other use, or use any mark which is likely to cause confusion, mistake, or deception, or which is likely to dilute Franchisor's exclusive rights in and to the Proprietary Marks; and further shall not utilize any designation of origin or description or representation which falsely suggests or represents a current or former association or connection with Franchisor.

D. Cancellation of Assumed Names. Franchisee shall take such action as may be necessary to cancel any assumed or fictitious name or equivalent registration which contains a Proprietary Mark; and Franchisee shall furnish Franchisor with evidence satisfactory to Franchisor of compliance with this obligation within thirty (30) days after termination or expiration of this Agreement.

E. Surrender of Possession; Assignment; Renovation. At Franchisor's option, and within three (3) business days after Franchisor gives notice to Franchisee, Franchisee shall turn over physical possession of the Store to Franchisor. Franchisee expressly acknowledges and agrees that the failure by Franchisee to allow Franchisor to take possession of the Store, or any attempt by Franchisee to remove inventory, furniture, fixtures or equipment from the Store, shall infringe upon the intellectual property and proprietary rights of Franchisor and shall cause immediate, irreparable, and incalculable harm and significant injury to Franchisor, damages for which may be difficult or impossible to ascertain and for which no adequate remedy at law may be available. Accordingly, Franchisee consents to the granting of equitable relief, including an injunction and specific performance in Franchisor's favor, without proof of actual damages or posting of a bond or other security, such bond or other security hereby being waived. Franchisee shall pay on demand all court costs and reasonable attorneys' fees incurred by Franchisor or its Affiliates in obtaining such equitable relief. Franchisee shall, at Franchisor's option, assign to Franchisor any right, title and interest which Franchisee has in any lease for the premises of the Franchised Business and any

governmental licenses or permits used for the operation of the Store, and assign to Franchisor, or discontinue use of, the telephone numbers, telephone directory listings and advertisements, website URLs, and e-mail addresses for the use or operation of the Store. If Franchisee fails to promptly execute and deliver such assignments to Franchisor, Franchisee hereby grants any officer of Franchisor an irrevocable power of attorney, coupled with an interest, to execute such assignments on Franchisee's behalf. In the event Franchisor does not elect to exercise its option to acquire the lease for the premises of the Franchised Business pursuant to this Section 21.E., Franchisee shall make such modifications or alterations to the premises operated hereunder (including changing the telephone number and changing the color scheme and/or other distinctive design features) immediately upon termination or expiration of this Agreement as may be necessary to distinguish the appearance of said premises from that of GNC Stores under the System, and shall make such specific additional changes thereto as Franchisor may reasonably request for that purpose. In the event Franchisee fails or refuses to comply with the requirements of this Section 21.E., Franchisor shall have the right to enter upon the premises where Franchisee's Franchised Business was conducted, or where the leased premises are being constructed or otherwise prepared to open, without being guilty of trespass or any other tort, for the purpose of making or causing to be made such changes as may be required at the expense of Franchisee, which expense Franchisee agrees to pay upon demand.

F. Payment to Franchisor and Affiliates. Franchisee shall promptly pay all sums owing to Franchisor and its Affiliates, together with any advertising and promotional funds, including interest on overdue monies as described in Section 4.G. In the event of termination for any default of Franchisee, such sums shall include all damages, costs, and expenses, including reasonable attorneys' fees, incurred by Franchisor as a result of the default, which obligation shall give rise to and remain, until paid in full, a lien in favor of Franchisor against any and all of the personal property, equipment, inventory, and fixtures owned by Franchisee and on all premises operated hereunder at the time of default.

G. Attorneys' Fees and Court Costs. Franchisee shall pay to Franchisor all damages, costs and expenses, including reasonable attorneys' fees and court costs, incurred by Franchisor subsequent to the termination or expiration of this Agreement in obtaining injunctive or other relief for the enforcement of any provisions of this Section 21.

H. Return of Franchise Information and Materials. Franchisee shall immediately turn over to Franchisor all Manuals, customer lists, records, files, instructions, correspondence, and all other materials related to operating the Franchised Business which are in Franchisee's possession, and all copies thereof (all of which are acknowledged to be Franchisor's property), excepting only Franchisee's copy of this Agreement and any correspondence between the parties, and any other documents which Franchisee reasonably needs for compliance with any provision of law.

I. Purchase Option. Franchisor shall have the option, to be exercised within thirty (30) days after termination or expiration, to purchase from Franchisee any or all of the inventory or merchandise owned by Franchisee and originally purchased from Franchisor or its Affiliates, at Franchisee's cost based on the most recent invoices received by Franchisee; to purchase any or all of the inventory or merchandise owned by Franchisee and originally purchased from a third party vendor for a pre-determined value as may from time to time be determined by Franchisor for categories of products; and to purchase any or all equipment, fixtures, and signs used in the Franchised Business, for their depreciated value based upon a five (5) year, straight line depreciation schedule, but in any event, no more than the cost of such items at the time they were put into service. Franchisor shall also have the option, to be exercised within thirty (30) days after termination or expiration, to purchase from Franchisee the Store premises at fair market value if the Franchisee owns the Store premises. If the parties cannot agree on fair market value for the Store premises within a reasonable time, an independent appraiser shall be chosen by the parties (the cost of which shall be borne equally by the parties), and his or her determination shall be binding. If Franchisor elects to exercise any option to purchase herein provided, it shall have the right to set off any amount owed

to Franchisee against all amounts due from Franchisee to Franchisor, its Affiliates, successors or assigns under this Agreement or any Related Agreement. Franchisor shall also have the right to set off the cost of the appraisal, if any, against any payment to Franchisee.

J. POS System. Franchisee shall relinquish the POS System to Franchisor, and Franchisor shall purchase the POS System from Franchisee for its depreciated value (as of the date of expiration or termination) as determined by Franchisor in its sole discretion.

K. Survival. All covenants, obligations, and agreements of Franchisee which by their terms or by reasonable implication or by their nature are to be performed, in whole or in part, after the termination or expiration of this Agreement, including the indemnity and confidentiality obligations herein, shall survive such termination or expiration.

L. Refund of Initial Franchise Fee. If this Agreement terminates during the Pre-Opening Period before the Store opens because of the Franchisee's death, if Franchisee is a natural person, Franchisor will refund the Initial Franchise Fee. In the event of expiration or termination for any other reason, the Initial Franchise Fee will not be refundable. If this Agreement terminates for any reason during the Pre-Opening Period before the Store opens, Franchisor and its Affiliates will not be required to refund or reimburse Franchisee for any other costs incurred and/or paid during the Pre-Opening Period, including, without limitation, construction costs, build-out costs and relocation costs.

M. Cross-Termination upon Termination of this Agreement. In the event of the termination of this Agreement by Franchisor under Section 20 hereof, Franchisor shall be entitled, at its option, to terminate all Related Agreements (as defined in Attachment A) immediately on written notice to Franchisee. This means that Franchisor may, at its option, immediately terminate, upon notice and without opportunity to cure, all other agreements between (i) Franchisor (or its Affiliates) and (ii) Franchisee, its Affiliates or any Entity in which Franchisee or any Principal, manager, partner or joint venture of Franchisee, directly or indirectly, has any interest of ownership or participation. Franchisee acknowledges that this provision may result in the termination of one or more other Related Agreements that relate to the Franchised Business. Franchisee further acknowledges that this provision may result in the termination of one or more other franchise agreements for other GNC Stores and any agreements related to those other GNC Stores, regardless of location.

N. Cross-Termination upon Expiration of this Agreement. In the event of the expiration of this Agreement, Franchisor shall be entitled, at its option, to terminate all Related Agreements (as defined in Attachment A, except that for purposes of expiration, the second sentence of the definition shall not apply) immediately upon written notice to Franchisee, without opportunity to cure.

## 22. BUSINESS PROTECTIVE COVENANTS.

A. Business Protective Covenants Applicable During Franchise Term. During the term of this Agreement, except as otherwise approved in writing by Franchisor, Franchisee shall not, directly or indirectly, for itself, or through, on behalf of, or in conjunction with any other person or Entity: (i) divert or attempt to divert any business or customer of the Franchised Business to any Competitive Business, by direct or indirect inducement or otherwise, (ii) do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with the Proprietary Marks and the GNC System; or (iii) own, maintain, advise, control, operate, help, invest in, make loans to, be employed by, engage in, or have any direct or indirect interest in any Competitive Business, regardless of location.

B. Post-Termination/Transfer Business Protective Covenants. Except as otherwise approved in writing by Franchisor, for a continuous uninterrupted period commencing upon the expiration or

termination of this Agreement for any reason, or following the date of a Transfer by Franchisee, and continuing for one (1) year thereafter, Franchisee shall not, directly or indirectly, for itself, or through, on behalf of, or in conjunction with any other person or Entity: (i) own, maintain, advise, control, operate, help, invest in, make loans to, be employed by, act as a director, representative or agent of, engage in, or have any interest in any Competitive Business which is located within the Protected Territory or located within five (5) miles of the Approved Location or any GNC Store or General Nutrition Center or any other retail outlet that is owned by Franchisor or an Affiliate of Franchisor; or (ii) own, maintain, advise, control, operate, help, invest in, make loans to, be employed by, act as a director, representative or agent of, engage in, or have any interest in any Competitive Business that operates (in whole or in part) via the Internet or World Wide Web or any other electronic platform; ~~or (iii) employ or seek to employ any person who is at that time employed by Franchisor, an Affiliate of Franchisor, or any other franchisee of Franchisor, or otherwise directly or indirectly induce such person to leave his or her employment.~~

C. Confidential Information. Franchisee acknowledges and agrees that in connection with the operation of GNC stores and the GNC System, Franchisor has developed at great expense competitively sensitive Confidential Information which is not commonly known or available to the public. Franchisee shall not, during the term of this Agreement or at any time thereafter, directly or indirectly, communicate, divulge, copy or use for such party's own benefit or the benefit of any other person, persons, Entity or Entities any of Franchisor's Confidential Information, except as required to carry out Franchisee's obligations under this Agreement or as Franchisor has otherwise expressly approved in writing. All Confidential Information of Franchisor is the sole and exclusive property of Franchisor. Franchisee shall divulge such Confidential Information only to those of its employees who have executed covenants as required under Section 22.I. or Section 22.J. hereof and who must have access in connection with their employment to operate the Franchised Business. Franchisee agrees that it and all of its employees and agents will take appropriate steps to protect Franchisor's Confidential Information from any unauthorized disclosure, copying or use. Franchisee shall be liable to Franchisor for any breach of these confidentiality obligations by Franchisee or its Principals, managers, employees, agents, representatives or contractors. At any time upon Franchisor's request, and, in any event upon termination or expiration of this Agreement, Franchisee will immediately stop using and return any copies of documents containing Confidential Information and will take appropriate steps to permanently delete and render unusable any Confidential Information stored electronically and certify same to Franchisor in writing.

D. Exceptions and Acknowledgments. Sections 22.A. and 22.B. shall not apply to ownership by Franchisee of another GNC store under the System nor to ownership by Franchisee of a less than one percent (1%) beneficial interest in the outstanding equity securities of any publicly-held corporation. The parties acknowledge that the covenants contained in this Section 22 are based (among other factors) on the reason and understanding that Franchisee will possess knowledge of Franchisor's business and operating methods and Confidential Information, disclosure and use of which would prejudice the interest of Franchisor and its franchisees.

E. Independent Covenants. The parties agree that each of the foregoing covenants shall be construed as independent of any other covenant in this Agreement. If all or any portion of a covenant in this Section 22 is held unreasonable, void or unenforceable for any reason by a court or agency having valid jurisdiction in an unappealed final decision to which Franchisor is a party, Franchisee expressly agrees to be bound by such covenant or portion thereof to the maximum extent permitted by law, as if the resulting covenant were separately stated in and made a part of this Section 22. The parties agree that, if a court determines that any of the provisions of this Agreement are unreasonable, void or unenforceable, the court may revise the specific terms of this Agreement to make it reasonable and enforceable. If such provision or portion cannot be modified to be enforceable, the unenforceable portion will be severed from the remaining portions of this Agreement, which shall otherwise remain in full force or effect.

F. Reduction of Scope. Franchisee understands and acknowledges that Franchisor shall have the right, in its sole discretion, to reduce the scope of any covenant set forth in Section 22.A. or 22.B., or any portion thereof, without Franchisee's consent, effective immediately upon receipt by Franchisee of written notice thereof; and Franchisee agrees that it shall comply forthwith with any covenant as so modified, which shall be fully enforceable notwithstanding the provisions of Section 31.

G. No Defense to Enforcement. Franchisee expressly agrees that the existence of any claims it may have against Franchisor, whether or not arising from this Agreement, shall not constitute a defense to the enforcement by Franchisor of the covenants in this Section 22.

H. Equitable Relief. Franchisee acknowledges that Franchisee's violation of the terms of this Section 22 may cause immediate, irreparable and incalculable harm and significant injury to Franchisor which may be difficult to ascertain for which no adequate remedy at law may be available, and Franchisee accordingly consents to the granting of equitable relief, including injunction and specific performance, in Franchisor's favor, without proof of actual damages or posting a bond or other security, such bond or other security being hereby waived. Franchisee shall pay on demand all court costs and reasonable attorneys' fees incurred by Franchisor in obtaining such equitable relief.

I. Personal Covenants. As a condition to the effectiveness of this Agreement, and at the time Franchisee delivers this signed Agreement to Franchisor, Franchisee's spouse, and if Franchisee is not an individual, its Principals and their respective spouses, ~~and Store manager(s)~~ (each a "Bound Party") must sign and deliver to Franchisor the Personal Covenants attached hereto as Attachment B (the "Personal Covenants"), agreeing to be bound personally by all of the provisions of this Section 22. If there are any changes in the identity of any such Bound Parties while this Agreement is in effect, Franchisee must notify Franchisor promptly, and each new Bound Party must sign and deliver to Franchisor the Personal Covenants.

J. Additional Personal Covenants. In addition, at the request of Franchisor, Franchisee shall cause any officer, director or other person employed by Franchisee who has received training from Franchisee or Franchisor or who may have access to Confidential Information of Franchisor to execute a ~~non-competition, non-solicitation and/or~~ nondisclosure agreement in the form(s) prescribed by Franchisor from time to time.

## 23. INDEPENDENT CONTRACTOR AND INDEMNIFICATION.

A. Relationship of Parties. It is understood and agreed by the parties hereto that this Agreement does not create a fiduciary relationship between them; that Franchisee shall be an independent contractor; that nothing in this Agreement is intended to constitute either party an agent, legal representative, subsidiary, joint venturer, partner, employee, or servant of the other for any purpose whatsoever; and that Franchisor will not be construed to be jointly liable for any of Franchisee's acts or omissions under any circumstances.

Any required standards exist to protect Franchisor's interests in the System and the Proprietary Marks and not for the purpose of establishing any control or duty to take control over those matters that are reserved to Franchisee. The required standards generally will be set forth in the Manuals or other written materials. The Manuals also will include guidelines or recommendations in addition to required standards. Franchisee may follow the recommendations or guidelines or some other suitable alternative, provided Franchisee meets and complies with the required standards. In order to protect Franchisor's interests in the System and Trademarks, Franchisor reserves the right to determine if Franchisee is meeting a required standard and whether an alternative is suitable to any recommendations or guidelines. Any training Franchisor provides to any of Franchisee's employees will be limited to training or guidance regarding the

delivery of approved goods and services to customers in a manner that reflects the customer service standards of the System.

Franchisee is, and will remain, the sole employer of Franchisee's employees at all times, including during all training programs, and Franchisee is solely responsible for all employment decisions and actions related to Franchisee's employees. Franchisor is not the employer or joint employer of Franchisee's employees. Franchisee is solely responsible for managing and operating the Store and supervising the Store's employees. Franchisee agrees to identify itself conspicuously in all dealings with customers, suppliers, public officials, Store personnel, and others as the Store's owner, operator, and manager under a franchise granted by Franchisor and, as may be required by Franchisor, to place notices of independent ownership at the Store premises and on the forms, business cards, stationery, advertising, e-mails, and other materials Franchisor requires from time to time. Franchisor will not exercise direct or indirect control over the working conditions of Store personnel, except to the extent such indirect control is related to Franchisor's legitimate interest in protecting the quality of Franchisor's brand. Franchisor does not share or codetermine the employment terms and conditions of the Store's employees and does not affect matters relating to the employment relationship between Franchisee and the Store's employees, such as employee selection, promotion, termination, hours worked, rates of pay, other benefits, work assigned, discipline, adjustment of grievances and complaints, and working conditions. To that end, Franchisee must notify Store personnel that Franchisor, as the franchisor of GNC Stores, is not their employer and does not engage in any employer-type activities for which only franchisees are responsible, such as employee selection, promotion, termination, hours worked, rates of pay, other benefits, work assigned, discipline, adjustment of grievances and complaints, and working conditions. No employee of Franchisee will be deemed to be an employee of Franchisor for any purpose whatsoever, and nothing in any aspect of the System or the Proprietary Marks in any way shifts any employee or employment related responsibility from Franchisee to Franchisor. Franchisee alone is responsible for hiring, firing, training, setting hours for and supervising all employees. It is the intention of the parties to this Agreement that Franchisor shall not be deemed a joint employer with Franchisee for any reason. If Franchisor incurs any cost, loss or damage as a result of any actions or omissions of Franchisee or Franchisee's employees, including any that relate to any party making a finding of any joint employer status, Franchisee agrees to fully indemnify Franchisor for any such cost, loss or damage

B. Notice of Independent Contractor Status. During the term of this Agreement and any extensions hereof, Franchisee shall hold itself out to the public as an independent contractor operating the Franchised Business pursuant to a franchise from Franchisor. Franchisee agrees to take such affirmative action as may be necessary to do so, including exhibiting a notice of that fact in a conspicuous place in the Store, the content of which Franchisor reserves the right to specify in the Manuals or otherwise in writing.

C. No Authorization to Act for or in Name of Franchisor. It is understood and agreed that nothing in this Agreement authorizes Franchisee to make any contract, agreement, warranty, or representation on Franchisor's behalf, or to incur any debt or other obligation in Franchisor's name; and, that Franchisor shall in no event assume liability for, or be deemed liable as a result of, any such action, or by reason of any act or omission of Franchisee in its conduct of the Franchised Business or any claim or judgment arising therefrom against Franchisor.

D. Indemnification. Franchisee shall indemnify and hold harmless Franchisor, its Affiliates, and their respective shareholders, officers, directors, employees, agents, successors and assignees (the "Indemnified Parties") against any and all claims, obligations, lawsuits, demands, investigations, damages, losses and liabilities arising directly or indirectly from, as a result of, or in connection with Franchisee's ownership or operation of the Franchised Business or breach of this Agreement, as well as the costs, including attorneys' fees and court costs, of defending against them. However, Franchisee shall not be required to indemnify Franchisor for any claims to the extent arising out of the gross negligence or

intentional misconduct of the Franchisor or defects in goods manufactured by Franchisor's Affiliate present on delivery thereof to Franchisee. Franchisor has the exclusive right to defend any such claim. Under no circumstances will Franchisor or any other Indemnified Party be required to seek recovery from any insurer or other third party, or otherwise mitigate its or their losses and expenses, in order to maintain and recover fully a claim against Franchisee.

24. TAXES.

A. Payment. Franchisee shall promptly pay when due all taxes levied or assessed, including unemployment and sales taxes, and all accounts and other indebtedness of every kind incurred by Franchisee in the conduct of the Franchised Business. All accumulated contributions or payments made by Franchisor or its Affiliates to accounts, funds, reserves or pools, for example worker's compensation, disability, unemployment compensation or other programs remain assets of the Franchisor or its Affiliates, as applicable, and if transferred to Franchisee, Franchisee shall pay to Franchisor or the applicable Affiliate such amount. Franchisee shall pay to Franchisor an amount equal to any sales tax, gross receipts tax, or similar tax imposed on Franchisor with respect to any payments to Franchisor required under this Agreement, unless the tax is credited against income tax otherwise payable by Franchisor.

B. Dispute. In the event of any bona fide dispute as to liability for taxes or other indebtedness, Franchisee may contest the validity or the amount of the tax or indebtedness in accordance with procedures of the taxing authority or applicable law; however, in no event shall Franchisee permit a tax sale or seizure by levy of execution or similar writ or warrant, or attachment by a creditor to occur against the premises of the Franchised Business, or any improvements thereon.

25. FRANCHISEE INFORMATION. In the event that Franchisee is an Entity, Franchisee shall comply with the following requirements:

A. Organizational Documents. Franchisee shall be newly organized and its organizational documents shall be provided to Franchisor and shall at all times provide that its activities are confined exclusively to operating the Franchised Business.

B. Stop-Transfer Instructions. Franchisee shall maintain stop-transfer instructions against the transfer on its records of any equity security; and each equity security of Franchisee shall have endorsed on it the following printed legend which shall legibly and conspicuously appear:

The transfer of the [stock] [membership interest] [partnership interest] represented by this certificate is subject to the terms and conditions of a Franchise Agreement with GNC Holdings, LLC dated the \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_. Reference is made to the provisions of the said Franchise Agreement and to the [Articles and Bylaws of this Corporation] [Operating Agreement of this Limited Liability Company] [Partnership Agreement of this Partnership].

C. Ownership. Attached hereto as Attachment C is a description of the legal organization of Franchisee (whether a corporation, limited liability company, partnership or otherwise), the names and addresses of each Principal, and the percentage of such interest owned by such Principal. Franchisee shall maintain a current list of all Principals and shall furnish the list to Franchisor upon request. Franchisee agrees to notify Franchisor in writing whenever there is any change in the organizational structure or ownership interests of Franchisee as set forth on Attachment C.

26. APPROVALS AND WAIVERS.

A. Approval. Whenever this Agreement requires the prior approval or consent of Franchisor, Franchisee shall make a timely written request to Franchisor therefor; and such approval or consent shall be obtained in writing. Except where this Agreement expressly obligates Franchisor not to unreasonably withhold its approval or consent to any of Franchisee's actions or requests, Franchisor has the absolute right, in its sole and arbitrary discretion, to refuse any request Franchisee makes or to withhold its approval of any of Franchisee's proposed or effected actions that require Franchisor's approval.

B. No Warranty or Assumption of Liability. Franchisor makes no warranties or guarantees to Franchisee, and assumes no liability or obligation to Franchisee, by providing any waiver, approval, consent, or suggestion to Franchisee in connection with this Agreement, or by reason of any neglect, delay, or denial of any request therefor.

C. Waiver. No delay, waiver, omission, or forbearance on the part of Franchisor to exercise any right, option, duty, or power arising out of any breach or default by Franchisee, or by any other franchisee, of any of the terms, provisions, or covenants hereof, shall constitute a waiver by Franchisor to enforce any such right, option, or power against Franchisee, or any other right, option, or power of Franchisor, or as to subsequent breach or default by Franchisee. Subsequent acceptance by Franchisor of any payments due to it hereunder shall not be deemed to be a waiver by Franchisor of any preceding breach by Franchisee of any terms, covenants, or conditions of this Agreement.

D. Subordination. Franchisor will not enter into or execute any agreement subordinating any security interest it may have in the equipment, fixtures, furniture, machinery, product, supplies, or other personal property in any GNC franchised store. GNC will not release or waive any liens, security interests, claims, demands or other rights that it may have in such personal property.

27. NOTICES. Any and all notices required or permitted under this Agreement shall be in writing and shall be ~~delivered~~sent by (i) personal delivery; (ii) ~~by~~ U.S. certified or registered mail, postage prepaid, return receipt requested; ~~or~~ (iii) ~~by reputable express mail or a nationally recognized overnight courier service,~~ or (iv) electronic mail (including PDF), to the respective parties at the addresses set forth on the signature page of this Agreement, unless and until a different address has been designated by written notice to the other party; in the manner set forth herein. Any such notice shall be deemed to have been given ~~the earlier of (i) receipt~~(i) if personally delivered, upon delivery (or ~~receipt~~delivery refused), ~~or~~ (ii) ~~in the case of notice~~if sent by U.S. certified or registered mail, three (3) days after mailing, (iii) if sent by overnight courier service, on the date of the first attempted delivery, or (iv) if sent by electronic mail, on the date of transmission, provided that the sender has received a delivery confirmation generated by the sender's email system which indicates that the email was delivered to the recipient's email address, in each case excluding Sundays and national holidays; and regardless of whether ~~Franchisee~~the party refuses ~~service~~delivery or is no longer at the address for notice.

## 28. SEVERABILITY AND CONSTRUCTION.

A. Severability. Except as expressly provided to the contrary herein, each section, part, term, and/or provision of this Agreement shall be considered severable; and if, for any reason, any section, part, term, and/or provision herein is determined to be invalid and contrary to, or in conflict with, any existing or future law or regulation by a court or agency having valid jurisdiction, such shall not impair the operation of, or have any effect upon, such other sections, parts, terms, and/or provisions of this Agreement as may remain otherwise intelligible; and, the latter shall continue to be given full force and effect and bind the parties hereto; and said invalid sections, parts, terms, and/or provisions shall be deemed not to be a part of this Agreement; provided, however, that if Franchisor determines that such finding of invalidity or illegality adversely affects the basic consideration of this Agreement, Franchisor may, at its option, terminate this Agreement.

B. No Third-Party Beneficiaries. Notwithstanding anything to the contrary herein, nothing in this Agreement is intended, nor shall be deemed, to confer upon any person or legal entity other than Franchisor and Franchisee and such of their respective successors and assigns as may be contemplated by Section 18 hereof any rights or remedies under or by reason of this Agreement.

C. Maximum Enforceability. Franchisee expressly agrees to be bound by any promise or covenants imposing the maximum duty permitted by law which is subsumed within the terms of any provision hereof, as though it were separately articulated in and made a part of this Agreement, that may result from striking from any of the provisions hereof any portion or portions which a court may hold to be unreasonable and unenforceable in a final decision to which Franchisor is a party, or from reducing the scope of any promise or covenant to the extent required to comply with such a court order.

D. Captions. All captions and headings in this Agreement are intended solely for the convenience of the parties, and none shall be deemed to affect the meaning or construction of any provision hereof.

E. Construction. All references herein to the masculine, neuter, or singular shall be construed to include the masculine, feminine, neuter, or plural, where applicable, and all acknowledgments, promises, covenants, agreements, and obligations herein made or undertaken by Franchisee shall be deemed jointly and severally undertaken by each of the persons named as Franchisee, if more than one person is so named. The words “include,” “includes” and “including” when used in this Agreement will be interpreted as if they were followed by the words “without limitation.” References to section numbers and attachments will refer to sections of and attachments to this Agreement, as applicable, unless the context indicates otherwise. The parties acknowledge that other present or future franchisees of Franchisor may operate under different forms of agreements, and consequently, that Franchisor’s obligations and rights with respect to its various franchisees may differ materially in certain circumstances.

29. APPLICABLE LAW.

A. Governing Law. This Agreement has been entered into and shall be governed by, and construed, interpreted and enforced in accordance with the laws of the Commonwealth of Pennsylvania, which laws shall prevail in the event of any conflict of law; provided, however, that if any provision of this Agreement would not be enforceable under the laws of Pennsylvania, and if the Franchised Business is located outside of Pennsylvania, and further, if such provision would be enforceable under the laws of the state in which the Franchised Business is located, then such provision shall be interpreted and construed under the laws of that state. Nothing in this choice of law provision is intended to make applicable any state franchise law that would otherwise not be applicable.

B. Arbitration. Except as set forth in Section C below, any claims between Franchisor and Franchisee shall be resolved by arbitration using the procedures set forth below.

(i) The arbitration shall be conducted in Pittsburgh, Pennsylvania by a Board of Arbitrators selected as provided below using the then-prevailing commercial arbitration rules of a recognized independent alternate dispute resolution service to be selected by Franchisor such as the American Arbitration Association, JAMS/Endispute or United States Mediation and Arbitration.

(ii) The Board of Arbitrators shall consist of three disinterested attorneys skilled in the subject matter of the issues in dispute. Within twenty (20) days of the institution of the arbitration, one of such arbitrators shall be selected by the Franchisor and the second arbitrator shall be selected by Franchisee.

The two arbitrators so selected shall select the third arbitrator within twenty (20) days after the last of the first two arbitrators is selected.

(iii) The Board of Arbitrators, as promptly as practicable after selection of the members thereof, shall give to each of the parties a written notice stating the time and place of the hearing upon the matters and questions submitted for arbitration. Such notice shall be given not less than thirty (30) days before the date of such hearing. At such hearing, the Board of Arbitrators shall proceed to a determination of the matters and questions submitted for arbitration. Each of the parties shall be entitled to be represented at such hearing, by counsel or otherwise, and to submit evidence and present arguments in respect of the issues in dispute.

(iv) Promptly upon conclusion of the arbitration, the Board of Arbitrators shall submit to each of the parties a written statement of its findings and determinations and issue an award to the prevailing party. Action concurred in by any two of the arbitrators shall constitute action of the Board of Arbitrators. Such findings and determinations shall be final and binding upon the parties for all of the purposes hereof, subject to applicable law governing review of arbitration awards.

(v) In addition to the award, the statement of the Board of Arbitrators as to its findings and determinations shall also set forth the amount of the expenses of the arbitration and shall state the portion, if any, of such amount payable by Franchisee and the portion, if any, of such amount payable by Franchisor. Each of the parties shall promptly pay to the Board of Arbitrators the amount, if any, so stated. If the award of the Board of Arbitrators includes an award for a sum of money, the award may be entered as a judgment in any court of competent jurisdiction.

**(vi) EACH ARBITRATION ACTION SHALL BE BROUGHT ONLY IN A PARTY'S INDIVIDUAL CAPACITY AND NOT AS A PLAINTIFF OR CLASS MEMBER IN ANY PURPORTED CLASS OR REPRESENTATIVE PROCEEDING. TO THE EXTENT PERMITTED BY LAW, FRANCHISEE AGREES THAT EACH ARBITRATION PROCEEDING WILL BE CONSIDERED UNIQUE AS TO ITS FACTS AND WILL NOT BE COMMENCED OR PROCEEDED WITH AS A CLASS ACTION. TO THE EXTENT PERMITTED BY LAW, FRANCHISEE WAIVES ANY RIGHT TO PROCEED AGAINST FRANCHISOR OR ITS AFFILIATES BY WAY OF CLASS ACTION.**

(vii) Disputes concerning the validity or scope of this Section 29, including whether a dispute is subject to arbitration, are beyond the authority of the arbitrator(s) and shall be determined by a court of competent jurisdiction pursuant to the Federal Arbitration Act, 9 U.S.C. §1 et seq., as amended from time to time. The provisions of this Section 29 shall continue in full force and effect subsequent to any expiration or termination of this Agreement.

(viii) Notwithstanding the foregoing, Franchisor shall not be precluded from seeking provisional remedies in the courts of any jurisdiction including, but not limited to, temporary restraining orders and preliminary injunctions, to protect its rights.

C. Litigation; Confession of Judgment.

(i) Litigation. Franchisor may, in its sole discretion and notwithstanding the foregoing, opt out of arbitration and elect to litigate in a court of law any claims it may have against Franchisee.

**(ii) CONFESSION OF JUDGMENT. IN ADDITION TO, AND NOT IN LIEU OF ANY OF THE RIGHTS GRANTED HEREIN TO FRANCHISOR, TO THE FULLEST**

**EXTENT ALLOWED BY LAW, FRANCHISOR SHALL HAVE THE FOLLOWING RIGHTS TO CONFESS JUDGMENT AGAINST FRANCHISEE:** If Franchisee defaults in the payment of any amounts under this Agreement or any Related Agreement, Franchisee hereby irrevocably authorizes and empowers the Prothonotary or any attorney of any court of record within the United States or elsewhere to appear for the Franchisee, and, with or without complaint filed, confess judgment against Franchisee in favor of Franchisor, for any amounts due and owing under this Agreement or any Related Agreement, together with unpaid interest and late charges thereon, costs of suit, and a reasonable attorney's fee for collection, with release of all errors, waiving the right of inquisition on any Collateral levied on, voluntarily condemning the same, and authorizing the Prothonotary or clerk to enter upon the Writ of Execution said voluntary condemnation and agreeing that said Collateral may be sold on a Writ of Execution, and waiving all laws relating to the exemption of real or personal property from execution, to the extent that such laws may lawfully be waived by the undersigned, without stay of execution, appraisal, or right of appeal. In any action of any amount due and owing, Franchisor shall cause to be filed in such action an affidavit made by Franchisor or someone acting for Franchisor setting forth the facts necessary to authorize the entry of judgment, of which facts such affidavit shall be conclusive evidence. If a copy of this Agreement and/or Related Agreement, verified by affidavit by or on behalf of Franchisor shall have been filed in any such action, it shall not be necessary to file the original Agreement and/or Related Agreement as a warrant of attorney or otherwise. No single exercise of the foregoing power to confess judgment shall be deemed to exhaust the power, whether or not any such exercise shall be held by any court to be valid, voidable, or void, but the power shall continue undiminished and it may be exercised from time to time as often as Franchisor shall elect, until such time as Franchisor shall have received payment in full of all amounts due, interest and late charges, costs, and reasonable attorneys' fees for collection.

**D. Forum Selection; Venue.** If the Franchisor selects litigation or notwithstanding the provisions of this Agreement to the contrary, if a court determines that a Franchisee is entitled to bring and maintain an action against Franchisor in a court of law, then and in that event, the parties agree that any action brought by Franchisee or any person or Entity claiming through Franchisee against Franchisor or its Affiliates in any court, whether federal or state, shall be brought and completed only within the Commonwealth of Pennsylvania in the judicial district in which Franchisor has its principal place of business, provided further that, if there is subject matter jurisdiction, such action shall only be brought in the federal district courts of the Western District of Pennsylvania; and the parties expressly waive all objections to personal jurisdiction or venue or that the forum is inconvenient for the purpose of carrying out this provision. The parties also agree that Franchisor may bring any action against Franchisee in any court, whether federal or state, within or outside of the Commonwealth of Pennsylvania. If Franchisor brings an action or other proceeding against Franchisee in any state or federal court located within the Commonwealth of Pennsylvania in the judicial district in which Franchisor has its principal place of business, Franchisee accepts generally and unconditionally the *in personam* jurisdiction and venue of the aforesaid courts and waives any defense of *forum non conveniens*.

**E. Waiver of Jury Trial, Punitive Damages and Class Actions.**

(i) Franchisor and Franchisee agree that in any litigation, suit, action, counterclaim, crossclaim or proceeding, whether at law or in equity, which arises out of, concerns, or relates to this Agreement or any Related Agreement, or any and all transactions contemplated hereunder or thereunder, the performance of this Agreement or any Related Agreement, or the relationship between the parties or otherwise, trial shall be by a court of competent jurisdiction and not by a jury. Franchisor and Franchisee hereby irrevocably waive any right either party may have

to a trial by jury. Either Franchisor or Franchisee may file an original counterpart or a copy of this Agreement with any court as written evidence of the consent of Franchisor and Franchisee to the waiver of their right to trial by jury.

(ii) Except for actions for trademark, trade dress or trade name infringement or other infringement or misappropriation of Franchisor's proprietary rights to any trademark, trade dress, patent, copyright, trade secret or other proprietary information, Franchisor and Franchisee hereby waive, to the fullest extent permitted by law, any right to or claim for multiple, punitive or exemplary damages against the other and agree that in the event of any action between them, no party shall seek multiple, punitive or exemplary damages with respect to any claim or cause of action against the other party, whether in arbitration, mediation or litigation, and each party shall be limited to the recovery of any actual damages sustained by it and costs and expenses.

(iii) ANY LITIGATION ACTION SHALL BE BROUGHT ONLY IN A PARTY'S INDIVIDUAL CAPACITY AND NOT AS A PLAINTIFF OR CLASS MEMBER IN ANY PURPORTED CLASS OR REPRESENTATIVE PROCEEDING. TO THE EXTENT PERMITTED BY LAW, FRANCHISEE AGREES THAT ANY LITIGATION PROCEEDING WILL BE CONSIDERED UNIQUE AS TO ITS FACTS AND WILL NOT BE COMMENCED OR PROCEEDED WITH AS A CLASS ACTION. TO THE EXTENT PERMITTED BY LAW, FRANCHISEE WAIVES ANY RIGHT TO PROCEED AGAINST FRANCHISOR OR ITS AFFILIATES BY WAY OF CLASS ACTION.

F. Claims Period. Any and all claims and actions arising out of or relating to this Agreement, the relationship between Franchisee and Franchisor, or the operation of the Franchised Business and the Store brought by any party to this Agreement against another party to this Agreement, shall be commenced within the earlier of one (1) year from the discovery of the facts giving rise to such claim or action, or the expiration of such earlier limitations period as may be prescribed by applicable law, or such claim or action shall be barred; provided, however, that this time limitation shall not apply to unperformed financial obligations of Franchisee to Franchisor or indemnity obligations relating to third party claims of creditors or claimants against the Franchised Business.

G. Cumulative Remedies. No right or remedy conferred upon or reserved to Franchisor or Franchisee by this Agreement is intended to be, nor shall be deemed, exclusive of any other right or remedy herein or by law or equity provided or permitted, but each shall be cumulative of every other right or remedy.

H. Attorneys' Fees and Costs. In any litigation, mediation, arbitration, or other legal action relating to or in connection with the Franchised Business, this Agreement or the relationship between the parties, to the extent Franchisor is the prevailing party, Franchisor shall be entitled to recover its reasonable costs and expenses, including attorneys' fees, paralegal fees, investigative costs, and court costs incurred in connection therewith, whether such costs, fees and expenses are incurred before or at trial, on appeal, during any insolvency or bankruptcy proceedings, during any post-judgment collection proceedings, or otherwise, from Franchisee.

30. BLOCKED PERSONS OR ENTITIES. Franchisee represents and warrants to Franchisor that, to its actual and constructive knowledge: (i) neither Franchisee (including, for purposes of this section, its Principals, directors and officers), nor any of its Affiliates, funding sources or guarantors, is identified on the list of the U.S. Treasury's Office of Foreign Assets Control ("OFAC"); (ii) neither Franchisee nor any of its Affiliates or guarantors are directly or indirectly owned or controlled by the government of any country that is subject to an embargo imposed by the United States government; (iii) neither Franchisee nor any of its Affiliates or guarantors are acting on behalf of a government of, or are involved in business

arrangements or other transactions with, any country that is subject to such an embargo. Franchisee agrees to notify Franchisor in writing immediately upon the occurrence of any event which would cause the foregoing representations and warranties of this Section 30 to be incorrect in any respect. Notwithstanding anything to the contrary in this Agreement, Franchisee may not allow or sustain a Transfer to a Specially Designated National or Blocked Person or to an Entity in which a Specially Designated National or Blocked Person has an interest.

31. ENTIRE AGREEMENT, ETC. This Agreement, the Selected Term Summary and the other documents referred to herein, and the Attachments hereto, constitute the entire, full, and complete Agreement between the parties concerning the subject matter hereof, and supersede any and all prior agreements, written or oral, between the parties; provided, that nothing in this Agreement or in any Related Agreement is intended to disclaim the representations made in Franchisor's Franchise Disclosure Document provided to Franchisee. No amendment, change, or variance from this Agreement shall be binding on the parties unless mutually agreed to by the parties in writing executed by themselves or their authorized officers or agents. This Agreement may be signed in multiple counterpart copies, including by facsimile or other electronic means, each of which will be deemed an original. By entering into this Agreement, Franchisee expressly consents to transact business with Franchisor electronically and that, consistent with the Uniform Electronic Transactions Act and all other applicable state and federal laws, this Agreement, any Related Agreement, and any attachments and addenda to any of them may be executed by electronic signatures, including through use of DocuSign or any other electronic signature program. The parties to this Agreement agree that (i) the parties' electronic signatures are intended to authenticate the writing and to have the same force and effect as the use of manual signatures, and (ii) an electronically signed version of this Agreement, any Related Agreement, and any attachments or addenda to any of them shall constitute an original for all purposes. This Agreement shall not be effective unless fully executed by Franchisee and Franchisor. This Agreement may not be amended or supplemented by a course of conduct. To the fullest extent allowed by applicable law, Franchisee waives any law or rule that would construe ambiguous language against Franchisor as the drafter of this Agreement. Franchisee's success in this business is speculative and depends, to an important extent, upon Franchisee's ability as an independent business owner and further on Franchisee's efforts in the operation of the Store. By Franchisee's signature below, Franchisee agrees that Franchisee has entered into this Agreement after making an independent investigation of the GNC System.

32. NO WARRANTIES. FRANCHISOR MAKES NO EXPRESS WARRANTIES AND EXPRESSLY EXCLUDES AND DISCLAIMS ALL IMPLIED WARRANTIES WITH RESPECT TO ALL GNC PRODUCTS, NON GNC PRODUCTS, AND OTHER PRODUCTS, SUPPLIES, SERVICES, AND EQUIPMENT FRANCHISOR OFFERS, SELLS OR REQUIRES FOR FRANCHISEE'S FRANCHISED BUSINESS, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. FRANCHISEE'S EXCLUSIVE REMEDY AND FRANCHISOR'S EXCLUSIVE LIABILITY FOR ALL CLAIMS AS TO ANY GNC PRODUCTS, NON GNC PRODUCTS, AND OTHER PRODUCTS, SUPPLIES, SERVICES AND EQUIPMENT IS LIMITED TO THE PURCHASE PRICE THEREFOR, PLUS SHIPPING COSTS, IF ANY, FRANCHISEE PAID; OR, AT FRANCHISOR'S OPTION, THE REPLACEMENT COST THEREOF. FRANCHISOR WILL NOT BE LIABLE FOR SPECIAL, INCIDENTAL, INDIRECT, CONSEQUENTIAL, MULTIPLIED, EXEMPLARY, OR PUNITIVE DAMAGES, WHETHER OR NOT CAUSED BY OR RESULTING FROM FRANCHISOR'S NEGLIGENCE, FOR ANY MATTER STATED IN THIS SECTION.

33. ACKNOWLEDGMENTS. Franchisee acknowledges and certifies to Franchisor each of the following:

A. NEITHER FRANCHISEE NOR ANY OF ITS SHAREHOLDERS, MEMBERS, OFFICERS, DIRECTORS, EMPLOYEES OR AGENTS HAVE RECEIVED OR HAVE ANY KNOWLEDGE OF ANY REPRESENTATIONS, PROMISES, CLAIMS OR STATEMENTS BY FRANCHISOR OR ITS OFFICERS, DIRECTORS, EMPLOYEES OR AGENTS ABOUT THE BUSINESS CONTEMPLATED BY THIS AGREEMENT THAT ARE CONTRARY TO THE INFORMATION CONTAINED IN THE FRANCHISE DISCLOSURE DOCUMENT OR THE TERMS OF THIS AGREEMENT OR ANY RELATED AGREEMENT.

B. FRANCHISOR EXPRESSLY DISCLAIMS THE MAKING OF, AND FRANCHISEE ACKNOWLEDGES THAT FRANCHISEE AND ITS SHAREHOLDERS, MEMBERS, OFFICERS, DIRECTORS, EMPLOYEES AND/OR AGENTS HAVE NOT RECEIVED, ANY PROMISE, REPRESENTATION, WARRANTY OR GUARANTY, EXPRESSED OR IMPLIED, AS TO THE POTENTIAL VOLUME, PROFITS OR SUCCESS OF THE BUSINESS VENTURE CONTEMPLATED BY THIS AGREEMENT.

[Signature Page Follows; Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the parties hereto have duly executed, sealed, and delivered this Agreement on the day and year first above written.

GNC HOLDINGS, LLC  
Franchisor

By: \_\_\_\_\_

Franchisor Address:

GNC Holdings, LLC  
75 Hopper Place, Suite 501  
Pittsburgh, Pennsylvania 15222  
Attention: Chief Legal Officer

Franchisor Email Address for Notices: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_  
Franchisee (Entity)

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Franchisee Address:

\_\_\_\_\_

\_\_\_\_\_

Attention: \_\_\_\_\_

Franchisee Email Address for Notices:

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## ATTACHMENT A

### DEFINITIONS

For purposes of this Agreement, the terms listed below appearing as initially capitalized terms shall have the meanings set forth below. Other terms used in this Agreement are defined and construed in the context in which they occur.

“Administrative Transfer” means either (i) an assignment of this Agreement by Franchisee, if Franchisee is comprised of an individual and/or group of individuals, to an Entity which is wholly owned by the Franchisee(s); or (ii) an assignment of a Franchisee’s obligations and rights under this Agreement or Equity Transfer by a Principal to an Immediate Family Member (as defined below), whether or not such Equity Transfer is in excess of a fifty percent (50%) ownership interest in Franchisee.

“Advertising Fee” shall have the meaning set forth in the Selected Term Summary of this Agreement.

“Affiliate” means any person or Entity that directly or indirectly owns or controls the referenced party, that is directly or indirectly owned or controlled by the referenced party, or that is under common control with the referenced party. For purposes of this definition, “control” means the power, directly or indirectly, to direct or cause the direction of the management and policies of an Entity, whether through ownership of voting securities, by contract or otherwise.

“Agreement” means the Franchise Agreement between Franchisor and Franchisee to which this Attachment A is attached, including all attachments thereto, as the same may be amended from time to time by the parties pursuant to the terms in the Agreement.

“Approved Location” means the Store location and address as approved by Franchisor.

“Conversion Store” means a GNC Store operated by Franchisor that is being converted to a franchisee-operated Store to be operated under the System in accordance with a Franchise Agreement between Franchisee and Franchisor.

“Competitive Business” means any direct marketing business, wholesale distribution business, other distribution business other than the Franchised Business, or retail business, for profit or otherwise, that offers for sale goods or services the same as or similar to those distributed to or offered at the Store.

“Confidential Information” means all information, however received or learned, relating to the System, trade secrets, financial information, product cost information, margin information, supplier information, pricing data, operating data, financial plans, customer and supplier lists, promotional policies, business plans and strategies, standards and procedures, product formulas and specifications, marketing and sales programs, site selection and marketing methods and techniques, research, development, knowledge, know-how, techniques, skill, technology, data, reports, memoranda and other financial, technical or other business information of Franchisor or its Affiliates, with the exception of: (a) information that, at the time of disclosure, already is published or generally known to the public; (b) information that, after disclosure by Franchisor to Franchisee, is published or becomes generally known to the public except as a result of the breach of this Agreement; (c) information that Franchisee can demonstrate was in its possession at the time of disclosure by Franchisor, as evidenced by records kept in the ordinary course of business or by proof of actual prior possession, and was not acquired, directly or indirectly, from Franchisor or any third party in violation of any contractual, fiduciary or legal obligation with respect to the information; or (d)

information that is obtained by Franchisee from any third party lawfully in possession of the information and not in violation of any contractual, fiduciary or legal obligation with respect to the information.

“Designated Principal(s)” shall mean the person or persons identified in the Selected Term Summary of this Agreement, which person or persons is/are the Franchisee’s controlling shareholder(s), partner(s), member(s) or other equity holder(s).

“Entity” means any corporation, limited liability company, partnership, joint venture, business trust or similar association or legal entity.

“Franchise Portal” means Franchisor’s electronic franchise documentation and informational franchise intranet, which may include, without limitation, Franchisor’s GENESIS and GNCAccess platforms.

“Franchise Term” means the Initial Term, the Renewal Term, or the Transfer Term, whichever is applicable, and shall be indicated in the Selected Term Summary of this Agreement.

“Franchised Business” means the nutrition, health and/or fitness business operated by Franchisee under and pursuant to this Agreement.

“GNC Brand Supplements” means food and dietary products manufactured or distributed by Franchisor or its Affiliates under labels bearing the “GNC” Proprietary Mark or any other Proprietary Mark used by Franchisor in the System.

“GNC Store” or “Store” means a retail health, wellness and performance store which offers the Products for sale under the Proprietary Marks and the GNC System operated by Franchisor or its Affiliates or pursuant to a valid license by or franchise agreement with Franchisor.

“GNC System” or “System” means the methods, techniques, standards and specifications of developing, opening, operating and promoting Stores which sell the Products, including GNC Brand Supplements, and operate under the Proprietary Marks and feature distinctive trade dress; interior and exterior building design and Store format; standards and specifications for construction, equipment, signs, furnishings, assistance and training; sales and management assistance and training; operating procedures for the storage, display and sale of products and services; and specialized methods and techniques for inventory and cost purchasing, customer service, sales promotion and advertising; all of which may be changed, improved and further developed by Franchisor from time to time.

“Gross Sales” means the gross receipts from the sale of all products and services sold in, on, about or from the Store, together with any other revenues derived from the operation of the Store, whether by Franchisee or by any other person, whether or not in accordance with the terms hereof, and whether for cash or on a charge, credit, barter or time basis, and regardless of collection, including all payments to Franchisee under any business interruption insurance or similar insurance policy, gift certificates and other payments for the right to participate in special offers, and all such sales and services (i) where orders originate and/or are accepted by Franchisee in the Store but delivery or performance thereof is made from or at any place other than the Store or (ii) pursuant to telephone or other similar orders received or filled at or in the Store. For purposes of determining the Royalty Fee and Advertising Fee, there shall be deducted from Gross Sales: (a) the amount of refunds, allowances or discounts to customers (including coupon sales) in the normal course of business, provided the related sales have previously been included in Gross Sales and Franchisee shall substantiate all such deductions in the manner specified in the Manuals; and (b) the amount of any excise or sales tax levied upon retail sales and paid over to the appropriate governmental authority.

“Immediate Family Member” means, for purposes of the Administrative Transfer definition above, any child, stepchild, parent, stepparent, spouse, sibling, brother-in-law, or sister-in-law, and shall include adoptive relationships.

“Incapacity” means the inability of Franchisee, or, if Franchisee is an Entity, its Designated Principal, to actively participate in its activities as Franchisee hereunder for any reason for a continuous period of six months.

“Initial Franchise Fee” shall be the fee set forth opposite “Initial Franchise Fee” in the Selected Term Summary of this Agreement.

“Initial Term” means the period commencing on the Store Opening Date and ending on the fifth (5th) anniversary of the Store Opening Date, as may be adjusted by Franchisor pursuant to Section 3.A. of the Agreement.

“Manuals” means all of Franchisor’s confidential operations manuals, which may consist of printed manuals, computerized documents or software, information provided on the Internet or an Extranet, audiotapes, videotapes, or any other medium Franchisor adopts periodically for use with the GNC System and designates as part of the Manuals, including the Franchise Operations Manual and the Visual Merchandising Playbook, and any other manuals that we may develop or prescribe from time to time, which may consist of more than one (1) volume, as the same may be revised and supplemented from time to time.

“Media” includes any news organization, station, publication, show, website, weblog (blog), bulletin board, chatroom, and/or program (past, present and/or future), whether published through the means of print, radio, television, and/or the Internet or otherwise and any member, representative, agent and/or employee of the same.

“Period” means each of the twelve (12) accounting periods during a year based on a 4-4-5 retail calendar, or such other accounting period as Franchisor may adopt from time to time.

“POS System” means a computerized cash collection and data processing system.

“Pre-Opening Obligations” shall have the meaning set forth in Section 5.B.

“Pre-Opening Period” means the period commencing on the Agreement Date and ending on the earlier of (i) 240 days following the Agreement Date or (ii) the Store Opening Date; or such longer period as may be permitted by Franchisor in its sole discretion.

“Principals” means all persons or Entities holding a legal or beneficial ownership interest in Franchisee, directly or indirectly, including any Entity directly or indirectly controlling Franchisee and all persons or Entities that have any other direct or indirect interest in Franchisee or Franchisee’s assets.

“Products” mean vitamin and mineral supplements, sports nutrition products, herbs, health foods, beauty and miscellaneous healthcare products, diet products, sports accessories, physical fitness products and specialty workout apparel and related products approved for sale by the Store by Franchisor from time to time, and not later disapproved.

“Proprietary Marks” mean the trademarks, trade names, service marks, logos, emblems, insignia and other commercial symbols (including the marks “GNC”, “GENERAL NUTRITION CENTER”, and “GNC LIVE WELL”) developed and approved for use by Franchisor under the GNC System from time to time.

“Protected Territory” means the geographic area in which the Approved Location is located designated as the “Protected Territory” in the Selected Term Summary. However, the Protected Territory specifically excludes existing GNC Stores or locations under franchise, option, license, development or lease obligations or GNC Stores to be opened under any agreement with us or any of our affiliates, which were negotiated before the Store Opening Date. For all Approved Locations, the Protected Territory, if a distance, shall be measured based upon a radius extending from the public entrance of Franchisee’s Store (and not the mall or strip center entrance).

“Protective Period” means a period of one (1) year from the original Store Opening Date. The Protective Period commences on the original Store Opening Date and expires ~~one (1) year thereafter on the first anniversary of the original Store Opening Date.~~ The Protective Period shall not restart or be extended in connection with any Transfer ~~under~~ or renewal of this Agreement or the Franchised Business (whether or not a new Franchise Agreement is executed in connection with the Transfer or renewal). ~~IfSo if~~ this Agreement is executed in connection with a Transfer occurring more than one (1) year after the original Store Opening Date, there is no Protective Period ~~as it has already expired by its terms.~~

“Publicly-held corporation” means any corporation with a class of securities registered under the Securities and Exchange Act of 1934.

“Related Agreements” means any agreement between Franchisee and Franchisor or its Affiliates or any other party entered into in connection with this Agreement and/or the operation of the Franchised Business. For purposes of Sections 18.B(ii)(b), 19.C., 20.B(xi), and 21.M. of this Agreement, “Related Agreement” shall include any agreement of Franchisor or its Affiliates entered into with Franchisee, its Affiliates or its Principals or any Entity in which Franchisee or any Principal, manager, partner or joint venture of Franchisee, directly or indirectly, has any interest of ownership or participation, regardless of location; this may include agreements related to the operation of another GNC Store or other GNC franchised business.

“Renewal Fee” means the franchise renewal fee described in Section 19.F.

“Renewal Term” means the period commencing on the expiration date of the Initial Term, the immediately preceding Renewal Term, or the Transfer Term, as the case may be (the “Renewal Commencement Date”), and ending on the fifth (5th) anniversary of the Renewal Commencement Date, as may be adjusted by Franchisor pursuant to Section 3.B. of the Agreement.

“Retained Rights” mean Franchisor’s and its Affiliates’ rights:

- (i) to operate, or grant a license for the operation of, a GNC Store, a kiosk or other outlet, using GNC Brand Supplements and/or any or all of the Proprietary Marks at any location outside of the Protected Territory, regardless of the proximity of any of those locations to the Protected Territory, or to do so inside the Protected Territory as permitted by this Agreement;
- (ii) to operate, or grant a license for the operation of, a kiosk or outlet (other than a GNC Store physically located within the Protected Territory during the Protective Period) using GNC Brand Supplements and/or any or all of the Proprietary Marks at any location within or outside of the Protected Territory, regardless of the proximity of any of those locations to the Approved Location;

- (iii) to use, or distribute or sell to or license others to use, GNC Brand Supplements and/or any or all of the Proprietary Marks at any location within or outside of the Protected Territory, regardless of the proximity of any of those locations to the Approved Location;
- (iv) to operate, or grant a license for the operation of, or sell or distribute any products to, any store, kiosk or outlet using names or marks other than the Proprietary Marks at any location within or outside of the Protected Territory, regardless of the proximity of those locations to the Approved Location (and regardless of: (a) whether the store, kiosk or outlet sells or distributes goods or services the same as, similar to or different from those sold or distributed by the Franchised Business, and/or (b) whether or not the store, kiosk or outlet sells GNC Brand Supplements or any goods or services which bear and/or are being sold in connection with any of the Proprietary Marks);
- (v) to give, sell, promote, advertise and/or distribute, directly or indirectly (or to license others to give, sell, promote, advertise and/or distribute, directly or indirectly) any goods or services (including GNC Brand Supplements), by any other means (including direct or indirect sales, electronic communications, Internet, World Wide Web, websites, electronic pages, interactive electronic media, shopping networks, direct mail, mail order, catalog sales, kiosks, co-branded sites and sites located within other retail businesses, and any other method of sale or distribution which now exists or which may in the future exist), to any business, distributor, wholesaler, retailer, establishment, organization, club, outlet, individual consumer, or customer at any location, regardless of: (a) whether or not the business, distributor, wholesaler, retailer, establishment, organization, club, outlet individual consumer, or customer is located within or outside of the Protected Territory, regardless of the proximity of any such business, distributor, wholesaler, retailer, establishment, organization, club, outlet, individual consumer or customer to the Approved Location; (b) whether or not the goods or services bear, and/or are sold in connection with, any or all of the Proprietary Marks; and (c) whether or not the goods or services are the same as, similar to or different from those sold or distributed by the Franchised Business;
- (vi) to relocate any GNC Store (whether owned by another franchisee or by Franchisor or its Affiliates) that is open and operating within the Protected Territory as of the Store Opening Date to a different location within the Protected Territory at any time during the Franchise Term (including during the Protective Period), even if the relocated GNC Store is closer in proximity to the Franchisee's Store than the prior GNC Store, and such relocation shall not give rise to any right of first refusal in favor of Franchisee to acquire the relocated GNC Store or any other rights thereto; and
- (vii) to sell or permit the conversion, or transfer of any interest in any GNC Store (whether owned by another franchisee or by Franchisor or its Affiliates) that is open and operating within the Protected Territory as of the Store Opening Date, without giving rise to any right of first refusal in favor of Franchisee to acquire the GNC Store or any other rights thereto, which shall not apply in the case of any such sale, conversion or transfer.

“Royalty Fees” shall have the meaning specified in the Selected Term Summary of this Agreement.

“Specially Designated National or Blocked Person” means (i) a person or entity designated by OFAC (or any successor office or agency of the U.S. government) from time to time as a “specially designated national or blocked person” or similar status, (ii) a person or entity described in Section 1 of U.S. Executive Order 13224, issued on September 23, 2001, or (iii) a person or entity otherwise identified

by government or legal authority as a person with whom Franchisor or its Affiliates are prohibited from transacting business.

“Store Opening Date” means the earlier of (i) the date the Store first opens for business and (ii) Franchisee’s rent commencement date under the lease for the Store, provided, that the Store Opening Date for a Conversion Store shall be the date Franchisor turns over the assets of the Store to Franchisee, and the Store Opening Date for a franchisee executing this Agreement in connection with a Transfer shall be the Date of Transfer set forth in the Selected Term Summary.

“Transfer Term” means the period commencing on the Date of Transfer set forth in the Selected Term Summary and ending on the Transfer Term Expiration Date set forth in the Selected Term Summary.

**ATTACHMENT B**  
**PERSONAL COVENANTS**

Each of the undersigned (“you”) agrees that:

1. All capitalized terms used but not defined in these Personal Covenants shall have the meanings set forth in the GNC Holdings, LLC Franchise Agreement dated as of the \_\_\_ day of \_\_\_\_\_, 20\_\_ (“Franchise Agreement”) by and between GNC Holdings, LLC (“Franchisor”) and \_\_\_\_\_ (“Franchisee”).

2. You are a Bound Party.

3. As an inducement to Franchisor to enter into the Franchise Agreement, and in consideration of the direct and personal benefits you will derive from the Franchise Agreement, you agree that: (i) you have read and understand all the provisions of Sections 22.A. through 22.I. of the Franchise Agreement and Section 29.A. of the Franchise Agreement; (ii) you will be personally bound by all of the obligations and covenants of the Franchisee contained in Sections 22.A. through 22.I. of the Franchise Agreement and Section 29.A. of the Franchise Agreement as if such obligations and covenants were made and given personally by you directly to Franchisor; and (iii) such obligations and covenants are fair and reasonable and will not deprive you of your livelihood.

4. If any sentence, clause paragraph or combination of any of them in Sections 22.A. through 22.I. of the Franchise Agreement and Section 29.A. of the Franchise Agreement is held by a court of competent jurisdiction to be unenforceable as applied to you, then such unenforceable sentence, clause, paragraph, or combination may be modified by such court to the extent necessary to render it enforceable, and if it cannot be so modified, it shall be severed and the remainder of Sections 22.A. through 22.I. of the Franchise Agreement and Section 29.A. of the Franchise Agreement shall remain in full force and effect.

5. You represent and warrant to Franchisor that: (i) you are not a Specially Designated National or Blocked Person; and (ii) you are not acting on behalf of a government of, or involved in business arrangements or other transactions with, any country that is subject to an embargo imposed by the United States government. You agree to notify Franchisor in writing immediately upon the occurrence of any event which would render the foregoing representations and warranties of this Section 5 incorrect.

6. These Personal Covenants shall be governed by the laws of the Commonwealth of Pennsylvania, unless the law of your jurisdiction applies under Section 29.A. of the Franchise Agreement.

[Signature Page Follows]

The undersigned hereby execute and deliver this instrument effective as of the Effective Date of the Franchise Agreement.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Print Name

Date: \_\_\_\_\_, 20\_\_

\_\_\_\_\_  
Print Name

Date: \_\_\_\_\_, 20\_\_

**ATTACHMENT C**  
**FRANCHISEE INFORMATION**

1. Franchisee’s legal organization (circle one): (a) sole proprietorship; (b) partnership; (c) corporation; (d) limited liability company; or (e) other (please specify:\_\_\_\_\_).

2. If Franchisee is an Entity, list of all its partners, members or shareholders or others holding any ownership interest in Franchisee:

| Name and Address            | % Interest | Active in Operation<br>of Business?<br>(yes/no) |
|-----------------------------|------------|---|
| (a) _____<br>_____<br>_____ | _____      | _____   |
| (b) _____<br>_____<br>_____ | _____      | _____   |
| (c) _____<br>_____<br>_____ | _____      | _____   |
| (d) _____<br>_____<br>_____ | _____      | _____   |

3. If Franchisee is an Entity, list of Franchisee’s officers, directors, managers and/or general partners:

| Name      | Title |
|-----------|-------|
| (a) _____ | _____ |
| (b) _____ | _____ |
| (c) _____ | _____ |
| (d) _____ | _____ |

[Signature Appears on Following Page]

The undersigned certifies that all information contained in this Attachment C is accurate and complete, and agrees to notify Franchisor promptly (and in any case within fifteen (15) days) upon any change in the information required to be disclosed in this Attachment C.

FRANCHISEE:

If an Individual:

Signature: \_\_\_\_\_

Print Name: \_\_\_\_\_

If other than an Individual:

\_\_\_\_\_  
[Name of Entity]

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**ATTACHMENT D**

**STATE ADDENDA TO FRANCHISE AGREEMENT**

See attached.

**STATE OF CALIFORNIA  
ADDENDUM TO FRANCHISE AGREEMENT**

In recognition of the requirements of the California Franchise Investment Law (§§ 31000, et seq., of the California Corporations Code), the parties to the attached GNC HOLDINGS, LLC FRANCHISE AGREEMENT (the “Agreement”) agree as follows:

~~1. Section 22.B. of the Agreement is hereby amended by deleting subsection 22.B.(iii). The remainder of Section 22.B. of the Agreement shall remain the same, and Section 22.B., as amended, shall continue in full force and effect.~~

1. Section 33 of the Agreement, titled “Acknowledgments,” is hereby deleted in its entirety.

2. No statement, questionnaire, or acknowledgment signed by 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 by Franchisor, any franchise seller, or other person acting on behalf of Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

43. Each provision of this Addendum will be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the California Franchise Investment Law are met independently without reference to this Addendum.

54. Except as otherwise provided in this Addendum, all the other terms, covenants and agreements in the Agreement shall remain the same, and the Agreement, as amended, shall continue in full force and effect. To the extent this Addendum is inconsistent with any terms or conditions of the Agreement or the Attachments thereto, the terms of this Addendum shall govern.

[Signature Page Follows]

IN WITNESS WHEREOF, Franchisor and Franchisee have executed this Addendum as of the date of the Agreement.

GNC HOLDINGS, LLC

Franchisor

By: \_\_\_\_\_

Franchisor Address:

GNC Holdings, LLC  
75 Hopper Place, Suite 501  
Pittsburgh, Pennsylvania 15222  
Attention: General Counsel

\_\_\_\_\_  
Franchisee (Entity)

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Franchisee Address:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**STATE OF HAWAII  
ADDENDUM TO FRANCHISE AGREEMENT**

In recognition of the requirements of the Hawaii Franchise Investment Law, Hawaii Rev. Stat. §§ 482E, et seq., the parties to the attached GNC HOLDINGS, LLC FRANCHISE AGREEMENT (the “Agreement”) agree as follows:

1. Sections 6.E., 18.B.(ii)(c) and 19.G. of the Agreement each contain a provision requiring a general release as a condition of relocation, transfer or renewal of the franchise. Such release will exclude claims arising under the Hawaii Franchise Investment Law.
2. Sections 18, 19 and 20 as they relate to transfer, non-renewal and termination are applicable to the extent they are not inconsistent with the Hawaii Franchise Investment Law. Otherwise, the Hawaii Franchise Investment Law will control.
3. No statement, questionnaire, or acknowledgment signed or agreed to by 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 Franchisor, franchise seller, or other person acting on behalf of Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.
4. Each provision of this Addendum will be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Hawaii Franchise Investment Law are met independently without reference to this Addendum.
5. Except as otherwise provided in this Addendum, all the other terms, covenants and agreements in the Agreement shall remain the same, and the Agreement, as amended, shall continue in full force and effect. To the extent this Addendum is inconsistent with any terms or conditions of the Agreement or the Attachments thereto, the terms of this Addendum shall govern.

[Signature Page Follows]

IN WITNESS WHEREOF, Franchisor and Franchisee have executed this Addendum as of the date of the Agreement.

GNC HOLDINGS, LLC

Franchisor

By: \_\_\_\_\_

Franchisor Address:

GNC Holdings, LLC  
75 Hopper Place, Suite 501  
Pittsburgh, Pennsylvania 15222  
Attention: General Counsel

\_\_\_\_\_  
Franchisee (Entity)

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Franchisee Address:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**STATE OF ILLINOIS  
ADDENDUM TO FRANCHISE AGREEMENT**

In recognition of the requirements of the Illinois Franchise Disclosure Act of 1987, Ill. Comp. Stat., Chapter 815, §§ 705/1 through 705/44 (the “Act”), the parties to the attached GNC HOLDINGS, LLC FRANCHISE AGREEMENT (the “Agreement”) agree as follows:

1. Sections 6.E., 18.B.(ii)(c) and 19.G. of the Agreement each contain a provision requiring a general release as a condition of relocation, transfer or renewal of the franchise. Such release will exclude claims arising under the Act.
2. Illinois law governs the Agreement.
3. Sections 19 and 20 of the Agreement as they relate to non-renewal and termination are only applicable to the extent they are not inconsistent with the Act. In the event of any inconsistency, the Act will control. Franchisee’s rights upon termination and non-renewal are set forth in sections 19 and 20 of the Act.
4. Franchisor and Franchisee acknowledge, and reference is hereby made to, Sections 705/4 and 705/41 of the Act, which provide as follows:

Sec. 4. Jurisdiction and Venue. Any provision in a franchise agreement that designates jurisdiction or venue in a forum outside of the State of Illinois is void, provided that a franchise agreement may provide for arbitration in a forum outside of the State of Illinois.

Sec. 41. Waivers Void. Any condition, stipulation, or provision purporting to bind any person acquiring any franchise to waive compliance with any provision of this Act or any other law of this State is void. This Section shall not prevent any person from entering into a settlement agreement or executing a general release regarding a potential or actual lawsuit filed under any of the provisions of this Act, nor shall it prevent the arbitration of any claim pursuant to the provisions of Title 9 of the United States Code.

5. Section 33 of the Agreement, titled “Acknowledgments,” is hereby deleted in its entirety.
6. No statement, questionnaire, or acknowledgment signed or agreed to by 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 Franchisor, franchise seller, or other person acting on behalf of Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.
7. Each provision of this Addendum shall be effective only to the extent, with respect to each such provision, that the jurisdictional requirements of the Illinois Franchise Disclosure Act are met independently without reference to this Addendum.
8. Except as otherwise provided in this Addendum, all the other terms, covenants and agreements in the Agreement shall remain the same, and the Agreement, as amended, shall continue in full force and effect. To the extent this Addendum is inconsistent with any terms or conditions of the Agreement or the Attachments thereto, the terms of this Addendum shall govern.

IN WITNESS WHEREOF, Franchisor and Franchisee have executed this Addendum as of the date of the Agreement.

GNC HOLDINGS, LLC

Franchisor

By: \_\_\_\_\_

Franchisor Address:

GNC Holdings, LLC  
75 Hopper Place, Suite 501  
Pittsburgh, Pennsylvania 15222  
Attention: General Counsel

\_\_\_\_\_  
Franchisee (Entity)

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Franchisee Address:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**STATE OF INDIANA  
ADDENDUM TO FRANCHISE AGREEMENT**

In recognition of the requirements of the Indiana Deceptive Franchise Practices Law, Indiana Code §§ 23-2-2.7-1 through 23-2-2.7-10, and the Indiana Franchise Disclosure Law, Indiana Code §§ 23-2-2-2.5-1 through 23-2-2-2.5-51, the parties to the attached GNC HOLDINGS, LLC FRANCHISE AGREEMENT (the “Agreement”) agree as follows:

1. If any of the provisions of the Agreement concerning termination and non-renewal, governing law, venue for litigation or arbitration, modification, covenants not to compete or any limitations period on the time in which claims may be brought are inconsistent with either the Indiana Deceptive Franchise Practices Law or the Indiana Franchise Disclosure Law, then such laws will apply to the extent inconsistent with the terms of the Agreement.
2. Sections 6.E., 18.B.(ii)(c) and 19.G. of the Agreement each contain a provision requiring a general release as a condition to relocation, transfer or renewal of the franchise. Each provision is inapplicable to the extent inconsistent with the Indiana Deceptive Franchise Practices Law, IC § 23-2-2.7-1(5).
3. No representation or acknowledgment by the Franchisee in the Agreement is intended to or shall act as a release, assignment, novation, waiver or estoppel to deprive the Franchisee of the rights and protections provided in the Indiana Franchise Disclosure Law or to relieve any person of any liability under the Indiana Deceptive Franchise Practices Law.
4. No statement, questionnaire, or acknowledgment signed or agreed to by 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 Franchisor, franchise seller, or other person acting on behalf of Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.
5. Each of the provisions of this Addendum will be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Indiana Franchise Disclosure Law and the Indiana Deceptive Franchise Practices Act are met independently without reference to this Addendum.
6. Except as otherwise provided in this Addendum, all the other terms, covenants and agreements in the Agreement shall remain the same, and the Agreement, as amended, shall continue in full force and effect. To the extent this Addendum is inconsistent with any terms or conditions of the Agreement or the Attachments thereto, the terms of this Addendum shall govern.

[Signature Page Follows]

IN WITNESS WHEREOF, Franchisor and Franchisee have executed this Addendum as of the date of the Agreement.

GNC HOLDINGS, LLC

Franchisor

By: \_\_\_\_\_

Franchisor Address:

GNC Holdings, LLC  
75 Hopper Place, Suite 501  
Pittsburgh, Pennsylvania 15222  
Attention: General Counsel

\_\_\_\_\_  
Franchisee (Entity)

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Franchisee Address:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**STATE OF MARYLAND  
ADDENDUM TO FRANCHISE AGREEMENT**

In recognition of the requirements of the Maryland Franchise Registration and Disclosure Law, Md. Code Bus. Reg. §§ 14-201 through 14-233, the parties to the attached GNC HOLDINGS, LLC FRANCHISE AGREEMENT (the “Agreement”) agree as follows:

1. The general release language required as a condition of relocation, renewal, sale and/or assignment or transfer shall apply except for claims arising under the Maryland Franchise Registration and Disclosure Law. A copy of the form of general release required by Sections 6.E., 18.B.(ii)(c) and 19.G. is attached hereto as Schedule A.
2. Although under certain circumstances the Agreement requires Franchisee to submit to a court proceeding or arbitration in the state where Franchisor’s principal place of business is located, Franchisor agrees that litigation claims brought under the Maryland Franchise Registration and Disclosure Law may be brought in any court of competent jurisdiction in the State of Maryland.
3. Any claims arising under the Maryland Franchise Registration and Disclosure Law may be brought within three (3) years after the grant of the franchise.
4. No representation or acknowledgment by the Franchisee in the Agreement is intended to or shall act as a release, assignment, novation, waiver or estoppel to relieve any person of any liability incurred under the Maryland Franchise Registration and Disclosure Law.
5. The Agreement provides that disputes are resolved through arbitration. A Maryland franchise regulation states that it is an unfair or deceptive practice to require a franchisee to waive its right to file a lawsuit in Maryland claiming a violation of the Maryland Franchise Registration and Disclosure Law. In light of the Federal Arbitration Act, there is some dispute as to whether this forum selection requirement is legally enforceable.
6. Franchisor agrees to defer payment of the Initial Franchise Fee (and other initial payments that would be considered franchise fees under the Maryland Franchise Registration and Disclosure Law) by Franchisee to Franchisor or its Affiliates until such time as Franchisor has met all of Franchisor’s pre-opening obligations under the Agreement and Franchisee has opened the Franchised Business. At such time that Franchisor has met all of its pre-opening obligations under the Agreement and Franchisee has opened the Franchised Business, all deferred fees and payments shall be immediately due and payable by Franchisee to Franchisor. The Maryland Attorney General’s Office imposed this deferral requirement.
7. Section 33 of the Agreement, titled “Acknowledgments,” is hereby deleted in its entirety.
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. Each provision of this Agreement will be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Maryland Franchise Registration and Disclosure Law are met independently without reference to this Addendum.
- 10. Except as otherwise provided in this Addendum, all the other terms, covenants and agreements in the Agreement shall remain the same, and the Agreement, as amended, shall continue in full force and effect. To the extent this Addendum is inconsistent with any terms or conditions of the Agreement or the Attachments thereto, the terms of this Addendum shall govern.

IN WITNESS WHEREOF, Franchisor and Franchisee have executed this Addendum as of the date of the Agreement.

GNC HOLDINGS, LLC

Franchisor

By: \_\_\_\_\_

Franchisor Address:

GNC Holdings, LLC  
75 Hopper Place, Suite 501  
Pittsburgh, Pennsylvania 15222  
Attention: General Counsel

\_\_\_\_\_  
Franchisee (Entity)

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Franchisee Address:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

## SCHEDULE A

The following is our current form of general release form that we expect to include in a release that a franchisee and/or transferor may sign as part of a renewal or an approved transfer. We may, in our sole discretion, periodically modify the release.

### GENERAL RELEASE

\_\_\_\_\_For and in consideration of the Franchise Agreement dated \_\_\_\_\_, «AgmtDate» (the “Franchise Agreement”), between the undersigned and GNC Holdings, LLC (“Franchisor”), and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the undersigned, individually and each for themselves, their respective corporate parents, subsidiaries, affiliates, successors in interest, heirs and assigns, and each of their respective shareholders, members, managers, partners, directors, officers, agents, servants, and employees, as applicable representatives, administrators, heirs, successors and assigns, whether specifically mentioned herein or not, including, without limitation, any entity or enterprise in which the undersigned, directly or indirectly, owns an equity or profits interest or controls (the “Releasing Parties” and, individually, a “Releasing Party”), do each hereby forever release, acquit remise, and forever discharge Franchisor and each of, its respective predecessors, successors and assigns, parents, subsidiaries, affiliates, and successors in interest affiliated entities, and each of their respective managers, members, shareholders, directors, officers, employees, agents, servants, employees and representatives, past and present, and all other persons acting by, through, under or in concert with any of them and whether specifically mentioned herein or not (the “Released Parties” and, individually, a “Released Party”), of and from any and all liability claims, demands, actions, causes of action, claims suits, disputes, debts, demands, dues, duties, sums of money, accounts, reckonings, covenants, contracts, agreements, promises, damages, and liabilities to person(s) or property judgments, extents, executions, costs, expenses, (including, without limitation court costs and attorneys’ fees) liabilities and compensation obligations, of every nature, kind and character whatsoever, whether known or unknown, foreseen or unforeseen, suspected or unsuspected, direct, indirect, contingent or actual, liquidated or unliquidated, whether in contract or in tort (“collectively, “Claims”) which the Releasing Parties or any one of them ever had, now have, own, hold or claim to which they hereafter can, shall, or may have, own or hold or at any time heretofore had, owned or held, against the Released Parties or any of them, now for, upon, or at by reason of, any time awarded to the undersigned and matter, cause or thing whatsoever from the inception of any contact with any Released Party beginning of the world to the date of this General Release.

Without limiting the generality of the foregoing, but by way of example only, the foregoing release shall apply to any and all state or federal antitrust claims or causes of action; state or federal securities law claims or causes of action; state or federal RICO claims or causes of action; breach of contract claims or causes of action; claims or causes of action based on misrepresentation or fraud; breach of fiduciary duty; unfair trade practices (state or federal); and all other claims and causes of action whatsoever.

The undersigned (and each of them) further agree for themselves and for their successors and assigns, to indemnify and hold harmless forever, the Released Parties, against any and all claims or actions which hereafter may be brought or instituted against any or all of them, or their successors and assigns, by or on behalf of anyone claiming under rights derived from the undersigned, or any of them, and arising out of or incidental to the matters to which this General Release applies.

The undersigned agree that this General Release is not intended nor shall it be construed as an admission of any wrongdoing or liability and that it shall not be admissible in evidence in any suit or proceeding whatsoever as evidence or admission of any liability.

Any individual who signs this General Release in a representative capacity for a corporation, limited liability company or other entity that is a party to this General Release hereby represents and warrants that he or she is duly authorized by action of such corporation, limited liability company or other entity to execute this release on its behalf.

With respect to the matters hereinabove released, the undersigned knowingly waive all rights and protection, if any, under Section 1542 of the California Civil Code, or under any similar law of any state or territory of the United States of America. Section 1542 provides as follows:

General Release: Extent. A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release, and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party.

The undersigned acknowledges there is a risk that, after the ~~date hereof~~execution of this General Release, the undersigned will discover, incur, or suffer claims which are unknown or unanticipated at the time of execution of this General Release and which, if known by the undersigned ~~on~~at the date hereof~~time of execution~~, may have materially affected the undersigned's decision to execute this General Release. Nevertheless, the undersigned agrees that the undersigned intends to assume, and is assuming, the risk of such unknown or unanticipated Claims, and that the Releasing Parties' release of the Released Parties set forth in this General Release shall apply to any and all such Claims. Neither the undersigned nor any other Releasing Party has assigned, transferred or purported to assign or transfer to any other person or entity any of the Claims or any portion thereof or interest therein and agrees to indemnify, defend and hold the Released Parties harmless from and against any and all Claims based on or arising out of any such assignment or transfer or purported assignment or transfer.

~~The undersigned represents and warrants that it intends to be legally bound by this General Release, that the execution of this General Release is free and voluntary, that no inducements, threats, presentations, or influences of any kind were made or exerted by or on behalf of Franchisor, and that, prior to the execution hereof, the undersigned was given the opportunity, if desired, to consult with counsel.~~ This General Release shall be binding upon the undersigned, and the other Releasing Parties, and their heirs, successors and legal representatives. This General Release excludes Claims arising from any representations in the ~~Franchisor's~~ Franchise Disclosure Document, or its exhibits or amendments, provided by Franchisor to the undersigned in connection with the Franchise Agreement. This General Release is not intended as a waiver of those rights of the undersigned which cannot be waived under applicable state franchise laws nor is it intended to release any Released Party from ~~any~~any liability, if any, imposed by the Maryland Franchise Registration and Disclosure Law. This General Release shall be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania without regard to its conflicts of law provisions.

**It is the express intention of the undersigned and Franchisor that this General Release be as broad as permitted by law.**

IN WITNESS WHEREOF, the undersigned have duly executed and delivered this General Release as of this \_\_\_\_\_. «LongDate».

WITNESS: \_\_\_\_\_

By: \_\_\_\_\_ ENTITY: \_\_\_\_\_

\_\_\_\_\_ «Entity»  
\_\_\_\_\_ Franchisee

\_\_\_\_\_ By: \_\_\_\_\_  
\_\_\_\_\_ «Fran1»  
\_\_\_\_\_ «Title1»

\_\_\_\_\_ By: \_\_\_\_\_  
\_\_\_\_\_ «Fran2»  
\_\_\_\_\_ «Title2»

\_\_\_\_\_ INDIVIDUAL(S):  
\_\_\_\_\_ Signature: \_\_\_\_\_  
\_\_\_\_\_ «Fran1», individually

\_\_\_\_\_ Signature: \_\_\_\_\_  
\_\_\_\_\_ «Fran2», individually

Print Name: \_\_\_\_\_

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

**STATE OF MINNESOTA  
ADDENDUM TO FRANCHISE AGREEMENT**

This Addendum to the attached GNC HOLDINGS, LLC FRANCHISE AGREEMENT (the “Agreement”) is made and entered into by Franchisor and Franchisee.

1. This Addendum is made a part of the Agreement to which it is attached.

2. Section 19 of the Agreement is hereby amended by adding the following:

“With respect to franchises governed by Minnesota law, the Franchisor will comply with Minn. Stat. Sec. 80C.14, Subd. 4, which requires, except in certain specified cases, that a franchisee be given one hundred eighty (180) days’ notice for non-renewal of the franchise agreement.”

3. Section 20 of the Agreement is hereby amended by adding the following:

“With respect to franchises governed by Minnesota law, the Franchisor will comply with Minn. Stat. Sec. 80C.14, Subd. 3, which requires, except in certain specified cases, that a franchisee be given ninety (90) days’ notice of termination (with sixty (60) days to cure).”

4. Section 14 of the Agreement is hereby amended by adding the following:

“The Minnesota Department of Commerce requires that the Franchisor indemnify Minnesota franchisees against any losses, costs or expenses resulting from claims by third parties that the franchisee’s use of the Franchisor’s trademark infringes trademark rights of the third party. Franchisor does not indemnify against the consequences of franchisee’s use of the Franchisor’s trademark except in accordance with the requirements of the franchise, and, as a condition to indemnification, Franchisee must provide notice to Franchisor of any such claim within ten (10) days and tender the defense of the claim to Franchisor. If Franchisor accepts the tender of defense, Franchisor has the right to manage the defense of the claim including the right to compromise, settle or otherwise resolve the claim, and to determine whether to appeal a final determination of the claim.”

5. Section 29 of the Agreement is hereby amended by adding the following:

“Pursuant to Minn. Stat. Sec. 80C.21 and Minnesota Rule 2860.4400J, nothing in this paragraph or in this Agreement shall in any way abrogate or reduce (1) any rights of the Franchisee as provided for in Minnesota Statutes, Chapter 80C, including, but not limited to, the right to submit matters to the jurisdiction of the courts of Minnesota, or (2) Franchisee’s rights to any procedure, forum or remedies provided for by the laws of the jurisdiction.”

6. Sections 6.E., 18.B.(ii)(c) and 19.G. of the Agreement each contain a provision requiring a general release as a condition of relocation, transfer or renewal of the franchise. Such release will exclude claims arising under Minnesota Statutes 80C.01 through 80C.22.

7. No representation or acknowledgment by the Franchisee in the Agreement is intended to or shall act as a release, assignment, novation or waiver that would relieve any person from liability under Minnesota Statutes 80C.01 through 80C.22.

8. Minnesota Statutes, Section 80C.14, Subd. 5, requires that consent to the transfer of the Franchised Business will not be unreasonably withheld. The Sections in the Agreement that relate

to transfer are applicable to the extent they are not inconsistent with Minnesota law. In the event of any inconsistency, Minnesota law will control.

9. Minnesota Rule 2860.4400J prohibits Franchisor from requiring Franchisee to waive its rights to a jury trial or to consent to liquidated damages. Sections 21.A. and 29.E. of the Agreement that relate to waiver of jury trial and liquidated damages shall not apply to franchises governed by Minnesota law.

10. Franchisor acknowledges that Minnesota Rule 2860.4400J provides that Franchisee cannot consent to Franchisor obtaining injunctive relief, but that Franchisor may seek injunctive relief, and that a court will determine if a bond is required.

11. Franchisor acknowledges that no action may be commenced pursuant to Minnesota Statutes, Section 80C.17, Subd. 5, more than 3 years after the cause of action accrues.

12. No statement, questionnaire, or acknowledgment signed or agreed to by 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 Franchisor, franchise seller, or other person acting on behalf of Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

13. Each provision of this Addendum will be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Minnesota Franchises Law (Minnesota Statutes, Chapter 80C, Sections 80C.01 through 80C.22) are met independently without reference to this Addendum.

14. Except as otherwise provided in this Addendum, all the other terms, covenants and agreements in the Agreement shall remain the same, and the Agreement, as amended, shall continue in full force and effect. To the extent this Addendum is inconsistent with any terms or conditions of the Agreement or the Attachments thereto, the terms of this Addendum shall govern.

[Signature Page Follows]

IN WITNESS WHEREOF, Franchisor and Franchisee have executed this Addendum as of the date of the Agreement.

GNC HOLDINGS, LLC

Franchisor

By: \_\_\_\_\_

Franchisor Address:

GNC Holdings, LLC  
75 Hopper Place, Suite 501  
Pittsburgh, Pennsylvania 15222  
Attention: General Counsel

\_\_\_\_\_  
Franchisee (Entity)

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Franchisee Address:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**STATE OF NEW YORK  
ADDENDUM TO FRANCHISE AGREEMENT**

In recognition of the requirements of the New York General Business Law, Article 33, the parties to the attached GNC HOLDINGS, LLC FRANCHISE AGREEMENT (the "Agreement") agree as follows:

1. Section 18, "TRANSFER OF INTEREST," Paragraph B, of the Agreement is hereby supplemented with the following:

No assignment shall be made except to an assignee, who, in the good faith judgment of Franchisor, is willing and possesses the economic resources to fulfill Franchisor's obligations under such Agreement.

2. Section 23, "INDEPENDENT CONTRACTOR AND INDEMNIFICATION," Paragraphs C and D, of the Agreement are hereby supplemented with the following:

However, Franchisee shall not be required to indemnify for any claims arising out of a breach of the Agreement by Franchisor or other civil wrongs of the Franchisor.

3. Section 28, "SEVERABILITY AND CONSTRUCTION," Paragraph A, of the Agreement shall be deleted in its entirety and shall have no force or effect and the following shall be substituted in lieu thereof:

A. Except as expressly provided to the contrary herein, each section, part, term, and/or provision of this Agreement shall be considered severable; and if, for any reason, determined to be invalid and contrary to, or in conflict with, any existing or future law or regulation by a court or agency having valid jurisdiction, such shall not impair the operation of provisions of this Agreement as may remain otherwise intelligible; and, the latter shall continue to be given full force and effect and bind the parties hereto; and said invalid sections, parts, terms, and/or provisions shall be deemed not to be a part of this Agreement.

4. Section 29, "APPLICABLE LAW," Paragraph A, of the Agreement shall be deleted in its entirety and shall have no force or effect and the following shall be substituted in lieu thereof:

A. This Agreement takes effect upon its acceptance and execution by Franchisor, and shall be interpreted and construed under the laws of the Commonwealth of Pennsylvania, which laws shall prevail in the event of any conflict of law; provided, however, that if any provision of this Agreement would not be enforceable under the laws of Pennsylvania and if the Franchised Business is located outside of Pennsylvania, and further, if such provision would be enforceable under the laws of the state in which the Franchised Business is located, then such provision shall be interpreted and construed under the laws of that state.

5. Section 29, "APPLICABLE LAW," of the Agreement shall be supplemented with the following paragraph:

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

6. Sections 6.E., 18.B.(ii)(c) and 19.G. of the Agreement each contain a provision requiring a general release as a condition of relocation, transfer or renewal of the franchise. Such release will exclude

claims arising under the General Business Law of New York State, Article 33, Sections 680 through 695, and the regulations issued thereunder.

7. No representation or acknowledgment by the Franchisee in the Agreement is intended to or shall act as a release, assignment, novation, waiver or estoppel which would relieve a person from any duty or liability imposed by Article 33, Sections 680 through 695, of the General Business Law of the State of New York and the regulations issued thereunder.

8. No statement, questionnaire, or acknowledgment signed or agreed to by 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 Franchisor, franchise seller, or other person acting on behalf of Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

9. Each provision of this Addendum will be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the New York General Business Law, Article 33, are met independently without reference to this Addendum.

10. Except as otherwise provided in this Addendum, all the other terms, covenants and agreements in the Agreement shall remain the same, and the Agreement, as amended, shall continue in full force and effect. To the extent this Addendum is inconsistent with any terms or conditions of the Agreement or the Attachments thereto, the terms of this Addendum shall govern.

[Signature Page Follows]

IN WITNESS WHEREOF, Franchisor and Franchisee have executed this Addendum as of the date of the Agreement.

GNC HOLDINGS, LLC

Franchisor

By: \_\_\_\_\_

Franchisor Address:

GNC Holdings, LLC  
75 Hopper Place, Suite 501  
Pittsburgh, Pennsylvania 15222  
Attention: General Counsel

\_\_\_\_\_  
Franchisee (Entity)

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Franchisee Address:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**STATE OF NORTH DAKOTA  
ADDENDUM TO FRANCHISE AGREEMENT**

In recognition of the requirements of the North Dakota Franchise Investment Law, North Dakota Century Code §§ 51-19-01 through 51-19-17, and the rules and regulations thereunder, the parties to the attached GNC HOLDINGS, LLC FRANCHISE AGREEMENT (the "Agreement") agree as follows:

1. Section 22 of the Agreement contains covenants restricting competition. These covenants will be subject to Section 9-08-06, N.D.C.C.
2. Section 29.B. of the Agreement contains a provision requiring that arbitration be conducted in Pittsburgh, Pennsylvania. Franchisor agrees that the place of arbitration will be a location that is in close proximity to the site of the Franchised Business.
3. Section 29.D. of the Agreement contains a provision requiring that certain litigation must be instituted in a court within the Commonwealth of Pennsylvania in the judicial district in which Franchisor has its principal place of business. Franchisor agrees that jurisdiction and venue for litigation claims brought under the Agreement and the North Dakota Franchise Investment Law may be in the State of North Dakota.
4. Section 29.A. of the Agreement contains a provision requiring that the Agreement be governed by Pennsylvania law. Franchisor agrees that North Dakota law will govern the Agreement and will prevail in the event of any conflict of law.
5. Sections 21.A. and 29.E. of the Agreement that relate to waiver of jury trial and liquidated damages shall not apply to franchises governed by North Dakota law.
6. To the extent any provision of the Agreement requires Franchisee to consent to a waiver of exemplary or punitive damages, these provisions will be deemed null and void.
7. The requirement in Section 19.G. of the Agreement that a general release be signed as a condition of renewal shall not apply to franchises governed by North Dakota law.
8. The Sections in the Agreement that relate to limitations of claims and payment of costs and expenses of enforcement of the Agreement are only applicable to the extent they are not inconsistent with North Dakota law. In the event of any inconsistency, North Dakota law will control. The statute of limitations under North Dakota law applies.
9. No statement, questionnaire, or acknowledgment signed or agreed to by 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 Franchisor, franchise seller, or other person acting on behalf of Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.
10. Each provision of this Addendum will be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the North Dakota Franchise Investment Law are met independently without reference to this Addendum.

- 11. Except as otherwise provided in this Addendum, all the other terms, covenants and agreements in the Agreement shall remain the same, and the Agreement, as amended, shall continue in full force and effect. To the extent this Addendum is inconsistent with any terms or conditions of the Agreement or the Exhibits or Schedules thereto, the terms of this Addendum shall govern.

IN WITNESS WHEREOF, Franchisor and Franchisee have executed this Addendum as of the date of the Agreement.

GNC HOLDINGS, LLC

Franchisor

By: \_\_\_\_\_

Franchisor Address:

GNC Holdings, LLC  
75 Hopper Place, Suite 501  
Pittsburgh, Pennsylvania 15222  
Attention: General Counsel

\_\_\_\_\_  
Franchisee (Entity)

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Franchisee Address:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**STATE OF RHODE ISLAND  
ADDENDUM TO FRANCHISE AGREEMENT**

In recognition of the requirements of the Rhode Island Franchise Investment Act, §§ 19-28.1-1 through 19-28.1-34, the parties to the attached GNC HOLDINGS, LLC FRANCHISE AGREEMENT (the “Agreement”) agree as follows:

1. Sections 6.E., 18.B.(ii)(c) and 19.G. of the Agreement each contain a provision requiring a general release as a condition of relocation, renewal and transfer of the franchise. Such release will exclude claims arising under the Rhode Island Franchise Investment Act.
2. § 19-28.1-14 of the Rhode Island Franchise Investment Act provides that “a provision in a franchise agreement restricting jurisdiction or venue to a forum outside this state or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under this Act.” To the extent that the provisions of Section 29.A. and 29.D conflict with the Rhode Island Franchise Investment Act, such provisions are void under § 19-28.1-14 with respect to a claim otherwise enforceable under the Rhode Island Franchise Investment Act.
3. Section 19-28.1-15 of the Rhode Island Franchise Investment Act provides that “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 this Act or a rule or order under this 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 this Act or a rule or order under this Act.” If the Franchisee is required in the Agreement to execute a release of claims or to acknowledge facts that would negate or remove from judicial review any statement, misrepresentation or action that would violate the Act, or a rule or order under the Act, such release shall exclude claims arising under the Rhode Island Franchise Investment Act, and such acknowledgments shall be void with respect to claims under the Act.
4. Section 33 of the Agreement, titled “Acknowledgments,” is hereby deleted in its entirety.
5. No statement, questionnaire, or acknowledgment signed or agreed to by 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 Franchisor, franchise seller, or other person acting on behalf of Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.
6. Each provision of this Addendum will be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Rhode Island Franchise Investment Act are met independently without reference to this Addendum
7. Except as otherwise provided in this Addendum, all the other terms, covenants and agreements in the Agreement shall remain the same, and the Agreement, as amended, shall continue in full force and effect. To the extent this Addendum is inconsistent with any terms or conditions of the Agreement or the Attachments thereto, the terms of this Addendum shall govern.

IN WITNESS WHEREOF, Franchisor and Franchisee have executed this Addendum as of the date of the Agreement.

GNC HOLDINGS, LLC

Franchisor

By: \_\_\_\_\_

Franchisor Address:

GNC Holdings, LLC  
75 Hopper Place, Suite 501  
Pittsburgh, Pennsylvania 15222  
Attention: General Counsel

\_\_\_\_\_  
Franchisee (Entity)

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Franchisee Address:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**STATE OF SOUTH DAKOTA  
ADDENDUM TO FRANCHISE AGREEMENT**

In recognition of the requirements of the South Dakota Franchise Investment law (SDCL 37-5B), the parties to the attached GNC HOLDINGS, LLC FRANCHISE AGREEMENT (the “Agreement”) agree as follows:

1. The Agreement shall be supplemented by the following paragraph:

Pursuant to SDCL 37-5B-21, 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 the Franchise Investment chapter (SDCL 37-5B) or a rule or order under the Franchise Investment chapter is void.

2. No statement, questionnaire, or acknowledgment signed or agreed to by 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 Franchisor, franchise seller, or other person acting on behalf of Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.
3. Each provision of this Addendum will be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the South Dakota Franchise Investment law are met independently without reference to this Addendum.
4. Except as otherwise provided in this Addendum, all the other terms, covenants and agreements in the Agreement shall remain the same, and the Agreement, as amended, shall continue in full force and effect. To the extent this Addendum is inconsistent with any terms or conditions of the Agreement or the Attachments thereto, the terms of this Addendum shall govern.

[Signature Page Follows]

IN WITNESS WHEREOF, Franchisor and Franchisee have executed this Addendum as of the date of the Agreement.

GNC HOLDINGS, LLC  
Franchisor

By: \_\_\_\_\_

Franchisor Address:

GNC Holdings, LLC  
75 Hopper Place, Suite 501  
Pittsburgh, Pennsylvania 15222  
Attention: General Counsel

\_\_\_\_\_  
Franchisee (Entity)

By: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Title: \_\_\_\_\_

By: \_\_\_\_\_  
Print Name: \_\_\_\_\_

By: \_\_\_\_\_  
Print Name: \_\_\_\_\_

Franchisee Address:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**STATE OF VIRGINIA  
ADDENDUM TO FRANCHISE AGREEMENT**

In recognition of the requirements of the Virginia Retail Franchising Act, the parties to the attached GNC HOLDINGS, LLC FRANCHISE AGREEMENT (the “Agreement”) agree as follows:

1. No statement, questionnaire, or acknowledgment signed or agreed to by 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 Franchisor, franchise seller, or other person acting on behalf of Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

2. Section 33 of the Agreement, titled “Acknowledgments,” is hereby deleted in its entirety.

3. Each provision of this Addendum will be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Virginia Retail Franchising Act are met independently without reference to this Addendum.

4. Except as otherwise provided in this Addendum, all the other terms, covenants and agreements in the Agreement shall remain the same, and the Agreement, as amended, shall continue in full force and effect. To the extent this Addendum is inconsistent with any terms or conditions of the Agreement or the Attachments thereto, the terms of this Addendum shall govern.

[Signature Page Follows]

IN WITNESS WHEREOF, Franchisor and Franchisee have executed this Addendum as of the date of the Agreement.

GNC HOLDINGS, LLC

Franchisor

By: \_\_\_\_\_

Franchisor Address:

GNC Holdings, LLC  
75 Hopper Place, Suite 501  
Pittsburgh, Pennsylvania 15222  
Attention: General Counsel

\_\_\_\_\_  
Franchisee (Entity)

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Franchisee Address:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**STATE OF WASHINGTON  
ADDENDUM TO FRANCHISE AGREEMENT**

In recognition of the requirements of the Washington Franchise Investment Protection Act, Wash. Rev. Code §§ 19.100.010 through 19.100.940, the parties to the attached GNC HOLDINGS, LLC FRANCHISE AGREEMENT (the “Agreement”) agree as follows:

1. In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW, will prevail.
2. The state of Washington has a statute, RCW 19.100.180, which may supersede the Agreement in Franchisee’s relationship with Franchisor including the areas of termination and renewal of the Agreement. There may also be court decisions which may supersede the Agreement in Franchisee’s relationship with the Franchisor including the areas of termination and renewal of the Agreement.
3. In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site will be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation, or as determined by the arbitrator or mediator at the time of arbitration or mediation. In addition, if litigation is not precluded by the Agreement, Franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.
4. A release or waiver of rights executed by Franchisee will not include rights under the Washington Franchise Investment Protection Act or any rule or order thereunder except when executed pursuant to a negotiated settlement after the agreement is in effect and where Franchisee is represented by independent counsel. Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the Washington Franchise Investment Protection Act, or rights or remedies under the Act, such as a right to jury trial, may not be enforceable.
5. Transfer fees are collectible to the extent they reflect 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 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 Franchisee under 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 for inflation). As a result, any provisions contained in the Agreement or elsewhere that conflict with these limitations are void and unenforceable in Washington.
7. RCW 49.62.060 prohibits Franchisor from restricting, restraining, or prohibiting Franchisee from (i) soliciting or hiring any employee of a franchisee of Franchisor, or (ii) soliciting or hiring any employee of Franchisor. As a result, any such provisions contained in the Agreement or elsewhere are void and unenforceable in Washington.
8. Section 4.I. of the Agreement is hereby modified to add the following language to the end of the section:

Until Franchisor has developed a system to record, hold, and track security deposits, Franchisor will not require Franchisee to pay a security deposit. Franchisor agrees not to collect a security deposit from Franchisee until Franchisor has filed an amendment or registration with (and received a permit in connection therewith from) the Washington Department of Financial Institutions Securities Division detailing the system created to record, hold, and track security deposits.

9. The multiplier clause in Section 21.A.(ii) of the Agreement is hereby modified to read as follows:
- (ii) multiplied by the lesser of (a) 36 or (b) the number of months remaining in the then-current term of this Agreement.

Except as modified hereby, the remainder of Section 21.A. shall remain the same.

10. Section 29.C.(ii) of the Agreement (and any confession of judgment provision in any Related Agreement entered into in connection with the Agreement) will not apply to franchises sold in the State of Washington.

11. Section 32 of the Agreement is hereby deleted in its entirety and replaced with the following:

(b) FRANCHISOR MAKES NO EXPRESS WARRANTIES AND EXPRESSLY EXCLUDES AND DISCLAIMS ALL IMPLIED WARRANTIES WITH RESPECT TO ALL GNC PRODUCTS, NON GNC PRODUCTS, AND OTHER PRODUCTS, SUPPLIES, SERVICES, AND EQUIPMENT FRANCHISOR OFFERS, SELLS OR REQUIRES FOR FRANCHISEE'S FRANCHISED BUSINESS, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

12. In lieu of an impound of franchise fees, Franchisor will not require or accept the payment of the Initial Franchise Fee (or any other fees or payments that would be considered franchise fees under the Washington Franchise Investment Protection Act, including pre-opening payments to Franchisor for inventory) by Franchisee to Franchisor or its Affiliates until Franchisee (a) has received all pre-opening obligations that it is entitled to under the Agreement and the Franchisor's Franchise Disclosure Document provided to Franchisee, and (b) is open for business. At such time that Franchisee has received all pre-opening obligations that it is entitled to under the Agreement and the Franchisor's Franchise Disclosure Document provided to Franchisee, and Franchisee has opened the Franchised Business, all deferred fees and payments shall be immediately due and payable by Franchisee to Franchisor.

13. Section 33 of the Agreement, titled "Acknowledgments," is hereby deleted in its entirety.

14. No statement, questionnaire, or acknowledgment signed or agreed to by 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 Franchisor, franchise seller, or other person acting on behalf of Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

15. Each provision of this Addendum will be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Washington Franchise Investment Protection Act are met independently without reference to this Addendum.

16. Except as otherwise provided in this Addendum, all the other terms, covenants and agreements in the Agreement shall remain the same, and the Agreement, as amended, shall continue in full force and effect. To the extent this Addendum is inconsistent with any terms or conditions of the Agreement or the Attachments thereto, the terms of this Addendum shall govern.

[Signature Page Follows]

IN WITNESS WHEREOF, Franchisor and Franchisee have executed this Addendum as of the date of the Agreement.

GNC HOLDINGS, LLC  
Franchisor

By: \_\_\_\_\_

Franchisor Address:

GNC Holdings, LLC  
75 Hopper Place, Suite 501  
Pittsburgh, Pennsylvania 15222  
Attention: General Counsel

\_\_\_\_\_  
Franchisee (Entity)

By: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Title: \_\_\_\_\_

By: \_\_\_\_\_  
Print Name: \_\_\_\_\_

By: \_\_\_\_\_  
Print Name: \_\_\_\_\_

Franchisee Address:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**ATTACHMENT E**

**GUARANTEE**

**See attached.**

## GUARANTEE

As an inducement to GNC Holdings, LLC (“Franchisor” or “GNC”) to execute that certain Franchise Agreement (as defined below) between Franchisor and \_\_\_\_\_ (“Franchisee”) dated \_\_\_\_\_ covering that certain GNC store (the “Store”) located or to be located at \_\_\_\_\_, the undersigned, including their spouses, if any (collectively, “Guarantor”), jointly and severally, hereby agree to be individually bound by all the terms and conditions of the above-referenced Franchise Agreement, including any amendments, addendums and attachments thereto whenever made (the “Franchise Agreement”) and unconditionally guarantee to Franchisor and its affiliates and their respective successors and assigns that all of Franchisee’s obligations under the Franchise Agreement and other agreements between Franchisee and Franchisor or Franchisor’s affiliates (“Related Agreements”) will be punctually paid and performed. The Franchise Agreement and Related Agreements are collectively referred to herein as the “Agreements.”

1. Guarantor’s liability under this Guarantee is a guarantee of payment and performance of the Agreements and not of collectability. Guarantor’s liability hereunder will continue until all obligations under the Agreements have been satisfied in full and will not be limited or affected in any way by transfer of the GNC Store or any disability of Franchisee. If all or any portion of the obligations guaranteed hereunder are paid or performed, Guarantor’s obligations hereunder will continue and remain in full force and effect if all or any part of such payment or performance is avoided or recovered directly or indirectly from Franchisor as a preference, fraudulent transfer or otherwise, irrespective of any notice of revocation given by Guarantor prior to such avoidance or recovery. Upon the death of an individual Guarantor, the estate of such Guarantor will be bound by this Guarantee but only for defaults and obligations hereunder existing at the time of death, and the obligations of other Guarantors will continue in full force and effect.

2. Upon default by Franchisee under the Agreements and notice of such default from Franchisor to Guarantor, Guarantor will immediately make each payment and perform each obligation required of Franchisee under the Agreements, without any requirement that Franchisor first send a notice of default to Franchisee, and Guarantor hereby waives any and all rights it may otherwise have under statutory or common law relating to any notice requirements thereunder. Without affecting the obligations of Guarantor hereunder, Franchisor may, without notice to Guarantor, extend, modify, or release any indebtedness or obligation of Franchisee, or settle, adjust, or compromise any claims against Franchisee. Guarantor waives notice of amendment of the Agreements and notice of demand for payment or performance by Franchisee.

3. Further, Guarantor hereby waives all other rights or benefits otherwise provided to sureties or guarantors under any state or federal law or common law, except as provided in this Guarantee. This waiver is expressly intended to waive any and all benefits and defenses under California Civil Code Sections 2819, 2845, 2849, and 2850 and any benefits or defenses available under the laws of any other state that may be deemed to be applicable to this Guarantee, including, without limitation, the right to require Franchisor to (i) obtain Guarantor’s consent to any modification of the Franchise Agreement or any other agreement between Franchisor and any party other than Guarantor, (ii) proceed against any collateral that may be given for any of Franchisee’s obligations, or (iii) pursue any other right or remedy for Guarantor’s benefit, and agrees that Franchisor may proceed against Guarantor for the obligations guaranteed herein without taking any action against Franchisee or any other guarantor or pledgor. Guarantor agrees that Franchisor may unqualifiedly exercise, in its sole discretion, any or all rights and remedies available to it against Franchisee or any other guarantor or pledgor without impairing Franchisor’s rights and remedies in enforcing this Guarantee, under which Guarantor’s liabilities will remain independent and unconditional. Guarantor acknowledges that Franchisor’s exercise of certain of such rights or remedies may affect, or eliminate Guarantor’s right of subrogation or recovery against Franchisee and that Guarantor may incur a partially or totally nonreimbursable liability under this Guarantee.

4. On Franchisor's request, Guarantor will promptly deliver to Franchisor complete and current financial statements and tax returns and such other financial information about Guarantor as Franchisor may reasonably request. Guarantor further agrees to keep Franchisor fully informed on all aspects of Franchisee's financial condition and the performance of Franchisee's obligations to Franchisor and that Franchisor has no duty to disclose to Guarantor any information pertaining to Franchisee or to notify Guarantor of Franchisee's default under the Franchise Agreement or any Related Agreement.

5. No failure or delay on Franchisor's part in exercising any power or privilege hereunder will impair any such power, right or privilege or be construed as a waiver of or an acquiescence therein. No terms or provisions of this Guarantee may be changed, waived, revoked, or amended without Franchisor's prior written consent. Should any provision of this Guarantee be determined by a court of competent jurisdiction to be unenforceable, all of the other provisions will remain effective. This Guarantee embodies the entire agreement among the parties hereto with respect to the matters set forth herein and supersedes all prior agreements among the parties with respect to the matters set forth herein.

6. Each Guarantor hereby jointly and severally holds harmless, and agrees to defend, protect, and indemnify Franchisor from any actions, causes of action, liabilities, damages, losses, and fees (including attorneys' fees) and all other claims of every nature which may arise as a result of any dispute between or among any of Guarantor and any other persons or entities. Franchisor may assign this Guarantee without in any way affecting Guarantor's liability. This Guarantee will inure to the benefit of Franchisor, its affiliates and their successors and assigns and will bind Guarantor and Guarantor's heirs, executors, administrators, successors, and assigns. This Guarantee is executed in accordance with, and pursuant to, the terms of the Franchise Agreement and any default hereunder will be a default under the Franchise Agreement.

7. This Guarantee shall be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania, the law of which shall prevail in the event of any conflict of law. If, however, any provision of this Guarantee would not be enforceable under the laws of Pennsylvania, and if the GNC Store is located outside of Pennsylvania and the provision would be enforceable under the laws of the state in which the GNC Store is located, then the provision in question (and only that provision) will be interpreted and construed under the laws of that state. Nothing in this section is intended to invoke the application of any franchise, business opportunity, antitrust, "implied covenant," unfair competition, fiduciary or any other doctrine of law of the Commonwealth of Pennsylvania or any other state which would not otherwise apply absent this paragraph.

8. Guarantor agrees that any action brought by Guarantor against Franchisor in any court, whether federal or state, shall be brought only within the Commonwealth of Pennsylvania in the judicial district in which Franchisor has its principal place of business, provided further that, if there is subject matter jurisdiction, such action shall only be brought in the federal district courts of the Western District of Pennsylvania; and the parties waive all questions of personal jurisdiction or venue for the purpose of carrying out this provision. Guarantor also agrees that the Franchisor may, in its sole discretion, bring any action against the Guarantor in any court, whether federal or state, within either a) the Commonwealth of Pennsylvania; or b) in any jurisdiction in which the Guarantor resides or owns property. If the Franchisor brings an action against Guarantor in any state or federal court located within the Commonwealth of Pennsylvania in the judicial district in which Franchisor has its principal place of business, Guarantor accepts generally and unconditionally the jurisdiction and venue of the aforesaid courts and waives any defense of forum non conveniens.

9. FRANCHISOR AND GUARANTOR AGREE THAT IN ANY LITIGATION, SUIT, ACTION, COUNTERCLAIM, OR PROCEEDING, WHETHER AT LAW OR IN EQUITY, WHICH

ARISES OUT OF, CONCERNS, OR RELATES TO THIS GUARANTEE, ANY AND ALL TRANSACTIONS CONTEMPLATED BY THIS GUARANTEE, THE PERFORMANCE OF THIS GUARANTEE, OR OTHERWISE, TRIAL SHALL BE TO A COURT OF COMPETENT JURISDICTION AND NOT TO A JURY. FRANCHISOR AND GUARANTOR HEREBY IRREVOCABLY WAIVE ANY RIGHT ANY PARTY MAY HAVE TO A TRIAL BY JURY. FRANCHISOR OR GUARANTOR MAY FILE AN ORIGINAL COUNTERPART OR A COPY OF THIS AGREEMENT WITH ANY COURT AS WRITTEN EVIDENCE OF THE CONSENT OF FRANCHISOR OR GUARANTOR TO THE WAIVER OF THEIR RIGHT TO TRIAL BY JURY.

10. **CONFESSION OF JUDGMENT.** IN ADDITION TO, AND NOT IN LIEU OF ANY OF THE RIGHTS GRANTED HEREIN TO FRANCHISOR, TO THE FULLEST EXTENT ALLOWED BY LAW, FRANCHISOR SHALL HAVE THE FOLLOWING RIGHTS TO CONFESS JUDGMENT AGAINST GUARANTOR: If Franchisee defaults in the payment of any amounts under the Agreements, Guarantor hereby irrevocably authorizes and empowers the Prothonotary or any attorney of any court of record within the United States or elsewhere to appear for the Guarantor, and, with or without complaint filed, confess judgment against Guarantor in favor of Franchisor, for any amounts due and owing under this Guarantee and/or any Agreement, together with unpaid interest and late charges thereon, costs of suit, and a reasonable attorney's fee for collection, with release of all errors, waiving the right of inquisition on any Collateral levied on, voluntarily condemning the same, and authorizing the Prothonotary or clerk to enter upon the Writ of Execution said voluntary condemnation and agreeing that said Collateral may be sold on a Writ of Execution, and waiving all laws relating to the exemption of real or personal property from execution, to the extent that such laws may lawfully be waived by the undersigned, without stay of execution, appraisal, or right of appeal. In any action of any amount due and owing, Franchisor shall cause to be filed in such action an affidavit made by Franchisor or someone acting for Franchisor setting forth the facts necessary to authorize the entry of judgment, of which facts such affidavit shall be conclusive evidence. If a copy of this Guarantee and/or Agreement, verified by affidavit by or on behalf of Franchisor shall have been filed in any such action, it shall not be necessary to file the original Guaranty and/or Agreement as a warrant of attorney or otherwise. No single exercise of the foregoing power to confess judgment shall be deemed to exhaust the power, whether or not any such exercise shall be held by any court to be valid, voidable, or void, but the power shall continue undiminished and it may be exercised from time to time as often as Franchisor shall elect, until such time as Franchisor shall have received payment in full of all amounts due, interest and late charges, costs, and reasonable attorneys' fees for collection.

11. THE UNDERSIGNED GUARANTOR ACKNOWLEDGES THAT IT WAS AFFORDED THE OPPORTUNITY TO READ THIS DOCUMENT CAREFULLY AND TO REVIEW IT WITH AN ATTORNEY OF ITS CHOICE BEFORE SIGNING IT. GUARANTOR ACKNOWLEDGES HAVING READ AND UNDERSTOOD THE MEANING AND EFFECT OF THIS DOCUMENT BEFORE SIGNING IT.

[Signature Page Follows]

IN WITNESS WHEREOF, each of the undersigned has signed this Guarantee as of the date of the Franchise Agreement.

GUARANTORS

By: \_\_\_\_\_  
Printed: \_\_\_\_\_

By: \_\_\_\_\_  
Printed: \_\_\_\_\_

By: \_\_\_\_\_  
Guarantor's Spouse  
Printed: \_\_\_\_\_

By: \_\_\_\_\_  
Guarantor's Spouse  
Printed: \_\_\_\_\_

**ATTACHMENT F**

**SBA LOAN ADDENDUM**

**ADDENDUM  
RELATING TO A  
GNC HOLDINGS, LLC  
FRANCHISE AGREEMENT**



ADDENDUM TO FRANCHISE

<sup>1</sup> AGREEMENT

THIS ADDENDUM (“Addendum”) is made and entered into on \_\_\_\_\_, 20\_\_\_\_, by and between GNC HOLDINGS, LLC (“Franchisor”), located at 300 SIXTH AVENUE, PITTSBURGH, PA 15222, and \_\_\_\_\_ (“Franchisee”), located at \_\_\_\_\_.

Franchisor and Franchisee entered into a Franchise Agreement on \_\_\_\_\_, 20\_\_\_\_, (such Agreement, together with any amendments, the “Franchise Agreement”). Franchisee is applying for financing(s) from a lender in which funding is provided with the assistance of the U. S. Small Business Administration (“SBA”). SBA requires the execution of this Addendum as a condition for obtaining SBA-assisted financing.

In consideration of the mutual promises below and for good and valuable consideration, the receipt and sufficiency of which the parties acknowledge the parties agree that notwithstanding any other terms in the Franchise Agreement or any other document Franchisor requires Franchisee to sign:

**CHANGE OF OWNERSHIP**

- If Franchisee is proposing to transfer a partial interest in Franchisee and Franchisor has an option to purchase or a right of first refusal with respect to that partial interest, Franchisor may exercise such option or right only if the proposed transferee is not a current owner or family member of a current owner of Franchisee. If the Franchisor's consent is required for any transfer (full or partial), Franchisor will not unreasonably withhold such consent. In the event of an approved transfer of the franchise interest or any portion thereof, the transferor will not be liable for the actions of the transferee Franchisee.

**FORCED SALE OF ASSETS**

- If Franchisor has the option to purchase the business personal assets upon default or termination of the Franchise Agreement and the parties are unable to agree on the value of the assets, the value will be determined by an appraiser chosen by both parties. If the Franchisee owns the real estate where the franchisee location is operating, Franchisee will not be required to sell the real estate upon default or termination, but Franchisee may be required to lease the real estate for the remainder of the franchise term (excluding additional renewals) for fair market value.

<sup>1</sup> While relationships established under license, jobber, dealer and similar agreements are not generally described as “franchise” relationships, if such relationships meet the Federal Trade Commission’s (FTC’s) definition of a franchise (see 16 CFR § 436), they are treated by SBA as franchise relationships for franchise affiliation determinations per 13 CFR § 121.301(f)(5).

**COVENANTS**

- If the Franchisee owns the real estate where the franchisee location is operating, Franchisor has not and will not during the term of the Franchise Agreement record against the real estate any restrictions on the use of the property, including any restrictive covenants, branding covenants or environmental use restrictions. If any such restrictions are currently recorded against the Franchisee's real estate, they must be removed in order for the Franchisee to obtain SBA-assisted financing.

**EMPLOYMENT**

- Franchisor will not directly control (hire, fire or schedule) Franchisee's employees. For temporary personnel franchises, the temporary employees will be employed by the Franchisee not the Franchisor.

As to the referenced Franchise Agreement, this Addendum automatically terminates when SBA no longer has any interest in any SBA-assisted financing provided to the Franchisee.

Except as amended by this Addendum, the Franchise Agreement remains in full force and effect according to its terms.

Franchisor and Franchisee acknowledge that submission of false information to SBA, or the withholding of material information from SBA, can result in criminal prosecution under 18 U.S.C. 1001 and other provisions, including liability for treble damages under the False Claims Act, 31 U.S.C. §§ 3729 - 3733.

**Authorized Representative of FRANCHISOR :**

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

**Authorized Representative of FRANCHISEE :**

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

**Note to Parties:** This Addendum only addresses "affiliation" between the Franchisor and Franchisee. Additionally, the applicant Franchisee and the GNC franchise system must meet all SBA eligibility requirements.

**ATTACHMENT G**  
**GNC SMOOTHIE BAR ADDENDUM**

See attached.



consultants must comply with Franchisor's requirements and applicable governmental building codes and regulations. Notwithstanding the foregoing, Franchisor may require Franchisee to engage, at Franchisee's expense, architectural and engineering consultants designated by Franchisor.

B. Franchisee will comply with any requirements imposed by Franchisor for the construction of the GNC Smoothie Bar. Franchisee will perform, at Franchisee's expense, the construction of the GNC Smoothie Bar, in accordance with any plans, standards and specifications provided by Franchisor. Franchisor reserves the right to modify any plans, standards and specifications as Franchisor deems necessary in its sole discretion.

C. Franchisee shall be responsible for all costs of construction relating to the GNC Smoothie Bar. Costs shall include, without limitation, architectural and engineering consultants' charges, contractor's charges, costs of permits and certifications, and the cost of all materials, supplies, equipment, fixtures and inventory. Franchisee also agrees to pay to Franchisor a project management fee, if any, for overseeing construction of the GNC Smoothie Bar, which fee will vary depending on the scope of work and the level of engagement by Franchisor during the construction process.

4.3. OPERATION OF SMOOTHIE BAR. To ensure a consistent look at every GNC Smoothie Bar, Franchisee must ~~continue to~~ maintain the layout and look of the GNC Smoothie Bar as may be required by Franchisor in its sole discretion from time to time. ~~Brochures~~Franchisee also agrees to comply with any requirements imposed by Franchisor from time to time for the operation of the GNC Smoothie Bar. To the extent required by Franchisor, brochures, take out menus, and nutritional information cards must be in the merchandising units readily available for customers. Franchisee agrees to comply with any revisions to the Plan-O-Gram that Franchisor may require from time to time in its sole discretion upon notice in the Manuals or otherwise in writing. Franchisee acknowledges that Franchisor may, in its sole discretion, require Franchisee, at Franchisee's sole cost, to remove the GNC Smoothie Bar from Franchisee's Store at the time of any renewal of Franchisee's the Franchise Agreement or remodeling of Franchisee's GNC Store.

5. TRAINING. Franchisor reserves the right to require Franchisee, and if Franchisee is not an individual, Franchisee's Designated Principal, or any manager initially or subsequently employed by Franchisee, to attend and successfully complete a Smoothie training program, which may be held virtually, or at Franchisor's Franchise Support Center in Pittsburgh, Pennsylvania or at another location designated by Franchisor. If Franchisee or its manager does not successfully complete the training program, Franchisor shall have the right to deny Franchisee's request to open or operate a GNC Smoothie Bar.

#### 6. AMENDMENTS TO FRANCHISE AGREEMENT.

A. The following language is hereby added to Section 12.B of the Franchise Agreement:

If Franchisee has a GNC Smoothie Bar, Franchisee shall purchase its inventory of ingredients and supplies, including, but not limited to, products, fruit and juice, either from Franchisor or one of its Affiliates or from an approved supplier of such ingredients or supplies, in such categories and minimum quantities as are specified by Franchisor in the Manuals or otherwise in writing.

B. The following language shall is hereby added to Section 17.B. of the Franchise Agreement:

Franchisor reserves the right to require Franchisee to contribute a percentage of Gross Sales for local advertising for the GNC Smoothie Bar upon written notice to Franchisee.

C. The following sub-paragraph (G) is hereby added to Section 18 of the Franchise Agreement:

G. The GNC Smoothie Bar is a part of the Franchised Business and shall not be considered a separate franchise or business. The GNC Smoothie Bar is not transferable, either all or in part, except in connection with and as a part of a Transfer of the Franchised Business as outlined in Section 18 of this Agreement.

D. Attachment A to the Franchise Agreement is hereby amended to include the following within the indicated defined terms:

The definition of “Confidential Information” shall include any and all information, know-how or knowledge divulged to Franchisee regarding the GNC Smoothie Bar, subject to the exceptions set forth in the definition.

The definition of “GNC Store,” “Store” and “Franchised Business” shall include the GNC Smoothie Bar.

The definition of “Gross Sales” shall include all gross receipts from the sale of any merchandise, service or product sold at the GNC Smoothie Bar.

The definition of “Manuals” shall include any Smoothie Operations Manual and any supplements, additions or modifications thereto.

The definition of “Products” shall include smoothies and related products offered for sale from the GNC Smoothie Bar.

7. RATIFICATION. Except as modified by the terms of this Addendum, the terms and provisions of the Franchise Agreement shall remain unchanged and the Franchise Agreement, as modified and supplemented by this Addendum, shall continue in full force and effect.

[Signature page follows.]

IN WITNESS WHEREOF, the parties hereto have executed and delivered this Addendum to the Franchise Agreement on the day and year first written above.

FRANCHISOR:

GNC HOLDINGS, LLC

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

FRANCHISEE:

If an Individual(s):

Signature: \_\_\_\_\_

Print Name: \_\_\_\_\_

\_\_\_\_\_  
Signature: \_\_\_\_\_

Print Name: \_\_\_\_\_

\_\_\_\_\_  
If other than an Individual: [INSERT ENTITY

NAME]

\_\_\_\_\_  
By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

**GNC SMOOTHIE BAR ADDENDUM**  
**(For Renewals)**

This Addendum is made this     day of                                     , 20     , by and between GNC HOLDINGS, LLC (the “Franchisor”) and                                     (the “Franchisee”). Capitalized terms used but not otherwise defined herein shall have the meanings given to such terms in the Franchise Agreement.

WHEREAS, Franchisor and Franchisee have entered into a renewal Franchise Agreement dated                                     (the “Franchise Agreement”) for a GNC franchise located at                                     ;

WHEREAS, Franchisee is currently operating, and desires to continue operating, a GNC Smoothie Bar in Franchisee’s GNC Store, which allows Franchisee to offer for retail sale drinks that combine fruit, juice, protein powders and nutritional supplements; and

WHEREAS, Franchisor and Franchisee wish to amend the Franchise Agreement to include this GNC Smoothie Bar Addendum.

NOW THEREFORE, in receipt of consideration that is hereby acknowledged, the parties to this Addendum do hereby covenant and agree as follows:

1. OPERATION OF SMOOTHIE BAR. Franchisor hereby grants to Franchisee the right to continue to operate a GNC Smoothie Bar in Franchisee’s GNC Store. To ensure a consistent look at every GNC Smoothie Bar, Franchisee must maintain the layout and look of the GNC Smoothie Bar as may be required by Franchisor in its sole discretion from time to time. Franchisee also agrees to comply with any requirements imposed by Franchisor from time to time for the operation of the GNC Smoothie Bar. To the extent required by Franchisor, brochures, take out menus, and nutritional information cards must be in the merchandising units readily available for customers. Franchisee agrees to comply with any revisions to the Plan-O-Gram that Franchisor may require from time to time in its sole discretion upon notice in the Manuals or otherwise in writing. Franchisee acknowledges that Franchisor may, in its sole discretion, require Franchisee, at Franchisee’s sole cost, to remove the GNC Smoothie Bar from Franchisee’s Store at the time of any renewal of the Franchise Agreement or remodeling of Franchisee’s GNC Store.
2. SMOOTHIE TRAINING. Franchisor reserves the right to require Franchisee, and if Franchisee is not an individual, Franchisee’s Designated Principal, or any manager employed by Franchisee, to attend and successfully complete a Smoothie training program at Franchisor’s Franchise Support Center in Pittsburgh, Pennsylvania, or at another location designated by Franchisor. If Franchisee or its manager does not successfully complete the training program, Franchisor shall have the right to immediately revoke Franchisee’s right to continue to operate a GNC Smoothie Bar in Franchisee’s GNC Store.
3. AMENDMENTS TO FRANCHISE AGREEMENT.

A. The following language shall be added to Section 12.B of the Franchise Agreement:

If Franchisee has a GNC Smoothie Bar, Franchisee shall purchase its inventory of ingredients and supplies, including, but not limited to, products, fruit and juice either from Franchisor or one of its Affiliates or from an approved supplier of such ingredients or supplies, in such categories and minimum quantities as are specified by Franchisor in the Manuals or otherwise in writing.

B. The following language shall be added to Section 17.B. of the Franchise Agreement:

Franchisor reserves the right to require Franchisee to contribute a percentage of Gross Sales for local advertising for the GNC Smoothie Bar upon written notice to Franchisee.

C. The following paragraph shall be added to Section 18 of the Franchise Agreement:

G.H. The GNC Smoothie Bar is a part of the Franchised Business and shall not be considered a separate franchise or business. The GNC Smoothie Bar is not transferable, either all or in part, except in connection with and as a part of a Transfer of the Franchised Business as outlined in Section 18 of this Agreement.

D. Attachment A to the Franchise Agreement shall be amended to include the following within the indicated defined terms:

The definition of “Confidential Information” shall include any and all information, know-how or knowledge divulged to Franchisee regarding the GNC Smoothie Bar, subject to the exceptions set forth in the definition.

The definition of “GNC Store,” “Store” and “Franchised Business” shall include the GNC Smoothie Bar.

The definition of “Gross Sales” shall include all gross receipts from the sale of any merchandise, service or product sold at the GNC Smoothie Bar.

The definition of “Manuals” shall include any Smoothie Operations Manual and any supplements, additions or modifications thereto.

The definition of “Products” shall include smoothies and related products offered for sale from the GNC Smoothie Bar.

~~4.~~ 4. RATIFICATION. Except as modified by the terms of this Addendum, the terms and provisions of the Franchise Agreement shall remain unchanged and the Franchise Agreement, as modified and supplemented by this Addendum, shall continue in full force and effect.

[\[Signature page follows.\]](#)

IN WITNESS WHEREOF, the parties hereto have duly executed and delivered this Addendum to the Franchise Agreement on the day and year first written above.

GNC HOLDINGS, LLC  
Franchisor

By: \_\_\_\_\_

\_\_\_\_\_  
Franchisee (Entity)

By: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Title: \_\_\_\_\_

By: \_\_\_\_\_  
Print Name: \_\_\_\_\_

By: \_\_\_\_\_  
Print Name: \_\_\_\_\_

# **EXHIBIT F**

## **Development Agreement**

**GNC HOLDINGS, LLC**  
**AREA DEVELOPMENT AGREEMENT**

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**SELECTED TERM SUMMARY**

Agreement Date: \_\_\_\_\_

Franchisor: GNC Holdings, LLC

Developer: \_\_\_\_\_

Development Area (Section 1): \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

Development Schedule (Section 1): Developer agrees to have open and operating at least the following minimum, cumulative number of Stores by the date specified:

| Cumulative Number of Stores to be Developed | Last Date to Establish and Open the Store | Franchise Fee | Development Fee |
|---|---|---------------|-----------------|
| 1   |   |               |                 |
| 2   |   |               |                 |
| 3   |   |               |                 |
| 4   |   |               |                 |
| 5   |   |               |                 |
| 6   |   |               |                 |
| 7   |   |               |                 |
| 8   |   |               |                 |
| 9   |   |               |                 |
| 10  |   |               |                 |

Development Rights Fee (Section 4.1): \$ \_\_\_\_\_

Total Development Fees from Development Schedule above: \$ \_\_\_\_\_

Total Development Fee (Section 4.1): \$ \_\_\_\_\_

This Selected Term Summary is a part of and incorporated by reference into the Area Development Agreement between Franchisor and Developer attached hereto. In the event of a conflict between the Selected Term Summary information and the Area Development Agreement, the Area Development Agreement shall control.

\_\_\_\_\_  
Initials

**GNC HOLDINGS, LLC**  
**AREA DEVELOPMENT AGREEMENT**

THIS AREA DEVELOPMENT AGREEMENT (this “Agreement”) is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, ~~2012~~2024 (the “Effective Date”), by and between GNC HOLDINGS, LLC, a Delaware limited liability company, with its principal office at 75 Hopper Place, Suite 501, Pittsburgh, Pennsylvania 15222 (“Franchisor”), and \_\_\_\_\_, a \_\_\_\_\_, whose email address for notices is \_\_\_\_\_, and \_\_\_\_\_, a \_\_\_\_\_, with (its principal office) (his/her residence) at \_\_\_\_\_ (“Developer”), ~~who agree as follows:~~and whose email address for notices is \_\_\_\_\_.

**RECITALS**

Franchisor and its Affiliates, at a substantial expenditure of time, effort and money have established and own a unique and comprehensive system relating to the development, opening, and operation of retail health, wellness and performance stores offering vitamin and mineral supplements, sports nutrition products, herbs, health foods, beauty and miscellaneous healthcare products, diet products, sports accessories, physical fitness products and related products, under the names “GNC” and GENERAL NUTRITION CENTER (“GNC Stores” or “Stores”).

The distinguishing characteristics of the GNC System include, without limitation, the establishment, development, and operation of Stores which feature vitamins, emphasizing a special selection of vitamins manufactured or distributed by Franchisor or its affiliates under labels bearing the mark “GNC” and related marks (“GNC Products” or “Products”), and which may feature health foods, beauty products, diet products, physical fitness products, or health-management products and services; distinctive building designs, interior and exterior layout, and trade dress; standards and specifications for construction methods and materials, equipment, furnishings, fixtures, supplies, signs, and product lists; technical assistance and training; sales and management assistance and training; operating procedures for the storage, display, and sale of vitamins, health foods, beauty products, diet products, physical fitness products and health-management products and services; and specialized methods and techniques for inventory and cost controls, recordation and reporting, personnel management, purchasing, customer service, sales promotion, and advertising; all of which may be changed, improved, and further developed by Franchisor from time to time.

Franchisor identifies the GNC System by means of certain Proprietary Marks, including trademarks, trade names, service marks, logos, emblems, and other indicia of origin, including but not limited to “GNC” and “GENERAL NUTRITION CENTER,” and such other trade names, service marks, and trademarks as are now designated (and may hereafter be designated by Franchisor) for use in connection with the System.

Franchisor continues to develop, use, and control the use of the Proprietary Marks in order to identify for the public the source of products and services marketed thereunder and under the System, and to represent the System's high standards of quality, appearance, and service.

Developer wishes to obtain certain development rights to develop and establish a specific number of GNC Stores within a designated geographical area, and to operate such GNC Stores as a franchisee under the GNC System, pursuant to franchise agreements in the Development Area described in this Agreement;

The parties, in consideration of the undertakings and commitments of each party to the other party set forth herein, hereby mutually agree as follows:

## **1. GRANT OF DEVELOPMENT RIGHTS**

During the term of this Agreement, Franchisor hereby grants to Developer, subject to the terms and conditions contained herein, the right to establish and operate the number of GNC Stores set forth on the development schedule (the “Development Schedule”) in the Selected Term Summary. Each GNC Store to be established hereunder shall be located in the area described in the Selected Term Summary (the “Development Area”). Within Franchisor’s discretion, Franchisor may consider sites proposed by Developer outside of the Development Area. Franchisor, in its sole discretion, will determine if any such sites located outside of the Development Area shall count toward the Development Schedule. The rights granted herein pertain only to the development of GNC Stores. This Agreement is not a franchise agreement and does not grant Developer any right or license to operate a GNC Store or to use the GNC System. The operation of any GNC Store established pursuant to this Agreement shall be governed by the then-current individual GNC Holdings, LLC Franchise Agreement to be entered into between Franchisor and Developer in accordance with Section 9 below (each, a “Franchise Agreement”).

## **2. TERRITORIAL PROTECTION AND RESERVATION OF RIGHTS**

2.1. Territorial Protection. Developer may establish the GNC Stores required to be developed hereunder at any location within the Development Area provided that Franchisor, in its sole discretion, consents in writing to the location, the location is in a state where Franchisor is permitted to sell GNC franchises, the location is not located in a territory or location in which any other GNC franchisee has exclusive rights or a right of first refusal, the location does not violate any other protected or restricted area Franchisor has granted or may in the future grant, and the location does not violate a radius restriction in any real estate lease. Subject to Franchisor’s Retained Rights and to Franchisor’s rights under Section 11.1, during the Term of this Agreement, and so long as Developer is in full compliance with the terms and provisions of this Agreement, Franchisor shall not itself operate, nor grant a franchise for the operation of, another GNC Store within the Development Area. Nothing herein shall be deemed to restrict the ownership and operation of any GNC Stores which are operating within the Development Area as of the Effective Date or, if during the Term, Franchisor terminates the franchise of any GNC Store developed pursuant to this Agreement by the Developer, then Franchisor shall have the right to operate, or to franchise another to operate, a GNC Store at the site where each such terminated franchised business had been established and/or operated.

2.2. Reservation of Rights. Franchisor retains the right, in its sole discretion, without any liability or compensation whatsoever to Developer and without granting Developer any rights therein, to:

(i) develop or operate or grant a license for the development or operation of a GNC Store at any location outside the Development Area, provided that any such GNC Store will not be located within the protected territory (during the protective period) under a Franchise Agreement entered into by Developer pursuant to this Agreement;

(ii) establish and operate, or grant a license to operate, or sell or distribute any goods, products or services (including GNC Products) to any store or outlet that operates under names or marks other than GNC's Proprietary Marks, at any location within or outside of the Development Area, regardless of whether the store or outlet sells or distributes goods or services the same as or similar to or different from those sold or distributed by the Developer under Franchise Agreements entered into pursuant to this Agreement;

(iii) give, sell, promote, advertise, and/or distribute directly or indirectly, and to license others to give, sell, promote, advertise, and/or distribute directly or indirectly, any goods, products, or services (including GNC Products) to any person via the Internet, electronic communications, the world-wide web, websites, electronic pages, interactive electronic media, shopping networks, direct mail, mail order or catalog sales, inside or outside the Development Area;

(iv) develop, use and franchise anywhere the rights to any trade names, trademarks, service marks, commercial symbols, logos, emblems, signs, slogans, insignia, patents or copyrights not designated by Franchisor as GNC's Proprietary Marks, for use with similar or different franchise systems for the sale of similar or different products or services than those constituting a part of the GNC System;

(v) offer, ship, sell and provide products or services identified by GNC's Proprietary Marks or other trademarks, service marks, commercial symbols or emblems to any person or Entity located anywhere through any other distribution channel or method, including, without limitation, retail stores, grocery stores, convenience stores, the Internet (or any other existing or future form of electronic commerce), kiosks, co-branded sites and sites located within other retail businesses, and delivery services, regardless of the proximity to any GNC Store established hereunder;

(vi) own, operate, franchise or license anywhere, even in close proximity to any GNC Stores developed hereunder, stores of any other type whatsoever operating under marks other than GNC's Proprietary Marks; and

(vii) engage in any other activity, action or undertaking that Franchisor is not expressly prohibited from taking under this Agreement.

The foregoing rights of Franchisor are referred to herein as the "Retained Rights."

2.3 No Right to License. Developer shall have no right under this Agreement to license others to use GNC's Proprietary Marks or the GNC System in any manner.

### 3. TERM

Unless earlier terminated in accordance with the terms and conditions set forth herein, this Agreement shall commence as of the Effective Date and shall automatically expire, without any action on the part of either party being necessary, on the earlier of (i) the date on which Developer has completed its development obligations under this Agreement; or (ii) 11:59 p.m. (Eastern Time) on the last day specified in the Development Schedule (the “Term”).

### 4. FEES

4.1 Development Fee. Upon the execution of this Agreement, Developer shall pay to Franchisor a development fee (the “Development Fee”) equal to the sum of the following: (i) the development rights fee set forth on the Selected Term Summary (the “Development Rights Fee”), (ii) a fee equal to the Franchise Fee for the first GNC Store to be developed and opened hereunder, as set forth on the Selected Term Summary, and (iii) a fee equal to Fifty Percent (50%) of the total Franchise Fees for the remaining GNC Stores required to be developed and opened hereunder during the Term, as set forth on the Selected Term Summary. Developer acknowledges and agrees that the Development Fee, which includes the Development Rights Fee, is paid as partial consideration for Franchisor granting Developer the right to establish, open and operate the number of GNC Stores set forth on the Development Schedule, and that the entire Development Fee, which includes the Development Rights Fee, is fully earned by Franchisor at the time this Agreement is executed and shall not be refundable for any reason, in consideration of administrative and other expenses incurred by Franchisor and for the development opportunities lost or deferred as a result of the rights granted to Developer herein. For each GNC Store established pursuant to this Agreement, Developer shall receive a credit toward the Franchise Fee for that GNC Store in the amount of the Development Fee paid for the applicable GNC Store (as set forth in the Selected Term Summary). In no event shall the sum of all credits received by Developer under this Section 4.1 exceed the total of the Development Fee in Sections 4.1(ii) and (iii) above. If a GNC Store is not established in accordance with the Development Schedule, that portion of the Development Fee that would have otherwise been credited towards payment of the Franchise Fee shall be forfeited and retained by Franchisor. If for any reason this Agreement terminates before all or a portion of the Development Fee has been applied to the Franchise Fees, Franchisor will retain the unapplied portion of the Development Fee as consideration for its time, effort and foregone opportunities.

4.2 Franchise Fees. As long as Developer is in compliance with the terms of this Agreement, including, without limitation, the Development Schedule, the amount of the Franchise Fee for each GNC Store to be established hereunder is set forth on the Selected Term Summary (each a “Franchise Fee”). The Franchise Fee for each GNC Store is to be paid in addition to the Development Fee; provided, that a portion of the Development Fee may be credited against the Franchise Fees as provided for in Section 4.1 above. The remainder of the Franchise Fee due for each GNC Store shall be immediately due and payable upon execution of the Franchise Agreement for that GNC Store.

## 5. DEVELOPMENT OBLIGATIONS

5.1 Minimum Development Requirements. Developer must (i) establish and open the specified minimum number of GNC Stores on or before each of the dates specified on the Development Schedule and (ii) maintain the specified minimum number of GNC Stores in continuous operation as specified on the Development Schedule. Developer's failure to comply with the foregoing requirements shall constitute a default under this Agreement. Developer understands that time is of the essence with respect to its obligations to comply with the Development Schedule and that failure by Developer to adhere to the Development Schedule shall constitute a material default under this Agreement. Developer acknowledges and understands that this Agreement requires Developer to open GNC Stores in the future pursuant to the Development Schedule. Developer further acknowledges and understands that the estimated investment requirement and fees and expenses set forth in Franchisor's Franchise Disclosure Document are subject to increase and change over time, and that future GNC Stores developed hereunder will most likely require a greater initial investment and increased operating capital than those detailed in the Franchise Disclosure Document provided to Developer in connection with the execution of this Agreement.

5.2 Compliance with Conditions. As stated herein, this Agreement does not give Developer a right or license to operate any GNC Store, but rather sets forth the terms and conditions, which, if fully satisfied will entitle Developer to operate a GNC Store in the Development Area pursuant to a Franchise Agreement. Developer shall apply to Franchisor, and supply such information as requested by Franchisor, for the franchise to operate each GNC Store that it develops in the Development Area pursuant to this Agreement. If Franchisor, in its sole discretion, determines that Developer has met the conditions set forth in this Agreement, Franchisor will grant to Developer the franchise. Such conditions shall include, but not be limited to, the following: (i) Developer must be in compliance with this Agreement, including the Development Schedule; (ii) each of Developer, its Principals and their respective Affiliates must be in compliance with any Related Agreements; (iii) Developer and its Principals must satisfy Franchisor's then-current financial criteria for franchisees; (iv) Developer and its Principals must have faithfully performed all terms and conditions of any Related Agreements during the terms of such agreements; and (v) Developer must have submitted to Franchisor, in a timely manner, all information and documents requested by Franchisor.

## 6. SITE SELECTION AND ACCEPTANCE

6.1 Site Selection and Acceptance. Developer assumes all cost, liability, expense and responsibility for selecting, obtaining and developing sites within the Development Area for each GNC Store to be developed pursuant to this Agreement. Developer shall not make any binding commitment with respect to a site unless the site is approved as set forth below. Developer agrees that the selection, procurement and development of sites are Developer's responsibility. Franchisor, in its sole discretion, may counsel and offer advice to Developer with respect to such site selection; provided, however, Franchisor's approval of any respective site and any assistance in the selection of a site does not constitute a representation, promise, warranty, or guaranty by Franchisor that the GNC Store operated at that site will be profitable or otherwise successful. Upon Developer's selection of a proposed site for a Store, Developer shall promptly submit to Franchisor

such site, demographic and other data and information about the proposed site as reasonably requested by Franchisor, using such forms as may be required by Franchisor. Franchisor shall either accept or reject the proposed site using its then-current site selection policies and procedures. In addition, Developer acknowledges and agrees that Franchisor's acceptance of a proposed site may be conditioned upon Developer meeting certain other requirements, and if Developer does not, or is unable to meet such requirements within a reasonable time, the site will be deemed rejected. To be effective, any acceptance of a proposed site by Franchisor must be in writing. Developer acknowledges and agrees that Franchisor may reject any proposed site for any reason in its sole discretion, in which event, Developer may not develop a GNC Store at the rejected site, but must locate another proposed site for the GNC Store and submit it to Franchisor for acceptance in accordance with this Agreement. Franchisor's consent to or failure to consent to any site shall not waive, extend or modify the Development Schedule.

6.2 Disclaimer. The acquisition in any manner of any proposed site, whether by option, purchase, lease or otherwise, prior to written acceptance by Franchisor shall be at the sole risk and responsibility of Developer and shall not obligate Franchisor in any way to accept such site or enter into a Franchise Agreement with Developer for the operation of a GNC Store at such site. Developer understands and agrees that Franchisor's approval of a site for a GNC Store is not an assurance or a guarantee by Franchisor of the suitability of such site for a GNC Store or that a GNC Store established at such site will be profitable or otherwise successful. Developer agrees that the suitability of a site and the success of any GNC Store depends on many factors outside the control of either Franchisor or Developer (including, without limitation, such factors as competition, interest rates, unemployment rates, workforce availability, demographic trends and the general economic climate) and further depends on Developer's efforts in the operation of the Store. In no event shall Franchisor be obligated to loan money, guarantee leases or purchase agreements, provide financing or otherwise become directly involved and/or obligated to Developer or to any third party in respect of such site selection or development of any Store; these activities and undertakings, financially and otherwise, shall be the exclusive responsibility of Developer.

## **7. CONSTRUCTION OF THE APPROVED SITE**

7.1 Architectural and Engineering Consultants. Unless Franchisor has approved otherwise in writing, Developer agrees to use, at Developer's expense, the architectural and engineering consultants designated by Franchisor to obtain permitting for a standard GNC Store design and to prepare architectural, electrical and mechanical drawings for each Store hereunder. Upon Franchisor's prior written approval, Developer may engage, at Developer's expense, its own architectural and engineering consultants to obtain permitting for a standard GNC Store design and to prepare architectural, electrical and mechanical drawings for each Store hereunder. Any such drawings prepared by Developer's own architectural and engineering consultants must comply with applicable governmental building codes and regulations.

7.2 Construction by Franchisor. Unless Franchisor has approved otherwise in writing, Franchisor will construct, at Developer's expense, each Store hereunder. If Franchisor constructs the Store, Franchisor will turn over custody and control of the Store to Developer upon substantial completion of construction, provided that Developer is not then in breach of this Agreement.

Developer accepts the premises “AS IS” and agrees to pay for the construction of the Store according to the invoices for such cost within fifteen (15) days of receipt of any invoice therefor or in such other manner as directed by Franchisor (which may include payment in stages during the construction process). Such cost will include contractor’s charges, costs for architectural and engineering consultants, costs of surveys, permits and certifications, and the cost of all materials, equipment and fixtures.

7.3 Construction by Developer. Upon Franchisor’s prior written approval, Developer may construct, at its expense, one or more Stores hereunder in accordance with Franchisor’s plans, standards and specifications. Developer agrees that the Store and any real estate controlled by Developer and appurtenant to the Store must be designed, laid out, constructed, furnished, and equipped to meet Franchisor’s plans, standards, and specifications, and Developer must satisfy any conditions to Franchisor’s approval of the same. Any deviations from Franchisor’s plans, specifications, and requirements must have Franchisor’s prior written approval. Any plans that Franchisor provides to Developer, and Franchisor’s approval of any plans Developer submits, relate solely to compliance with Franchisor’s specifications and standards and should not be construed as a representation or warranty that the plans comply with applicable laws and regulations. At Franchisor’s written request, Developer must promptly correct any unapproved deviations from Franchisor’s plans, standards, and requirements for the construction of any Store.

7.4 Construction Generally. In all circumstances, Developer agrees to pay to Franchisor a project management fee, to be determined by Franchisor in its sole discretion, for construction project management services, which fee will be payable prior to commencement of construction of each Store hereunder. This project management fee offsets Franchisor’s in-house costs for ordering, logistics, coordination, fixture layout, bidding, and carrying costs for materials. Developer also agrees to pay any additional fees and costs for any design and engineering in addition to a standard GNC Store design. All costs and fees described in this Section 7 are non-refundable once paid.

## **8. DUTIES OF THE PARTIES**

8.1 Franchisor’s Obligations. Franchisor shall furnish to Developer such site selection counseling and assistance as Franchisor may deem advisable, and such on-site evaluations as Franchisor may deem advisable in response to Developer's requests for site approval. Developer shall reimburse Franchisor for all reasonable expenses incurred by Franchisor in connection with requested on-site evaluations, including, the costs of travel, lodging, and meals.

8.2 Entity Requirements. A Developer which is an Entity shall comply, except as otherwise approved in writing by Franchisor, with the following requirements throughout the term of this Agreement:

(i) Developer shall confine its activities, and its Governing Documents shall at all times provide, that its activities are confined exclusively to the management and operation of the GNC franchise business, including the development and establishment of the GNC Stores.

(ii) Developer shall furnish Franchisor its Governing Documents, and any other

documents related to the organization of the Entity as Franchisor may reasonably request, and any amendments thereto.

(iii) Developer shall maintain an accurate list of the Principals and provide it to Franchisor upon request. Developer acknowledges that any change in Principals or ownership structure of Developer's Entity shall constitute a transfer of ownership, subject to Franchisor's transfer requirements and provisions. Developer shall request Franchisor's approval in writing prior to making any changes to its organizational structure and shall comply with Franchisor's prescribed transfer requirements as contained in this Agreement and in any Franchise Agreement entered into with Franchisor.

(iv) The Principals of Developer and their spouses, as may be specified by Franchisor, shall execute the Guarantee attached hereto.

8.3 Financial Ability. Developer, and at Franchisor's request, each Principal, shall provide Franchisor with the most recent financial statements of Developer and its Principals. Such financial statements shall present the financial position of Developer and its Principals, as applicable, as of the date indicated therein. Developer shall at all time during the term of this Agreement maintain sufficient working capital to fulfill its obligations under this Agreement.

8.4 Developer's Activities. Developer shall not intentionally do anything that would result in injury or fail to do anything that would prevent injury to the good name or reputation of Franchisor or make any representations or claims regarding Franchisor or Franchisor's products not expressly authorized in writing by Franchisor. Developer shall conduct its operations in accordance with good business practices and industry standards.

## **9. FRANCHISE AGREEMENTS**

Upon receiving Franchisor's approval of a proposed site for development of a GNC Store, Developer must (a) sign and deliver to Franchisor two copies of Franchisor's then-current Franchise Agreement (each, a "Franchise Agreement") for the GNC Store, together with any ancillary agreements required by the Franchise Agreement and (b) pay Franchisor the Franchise Fee as required therein (as set forth in the Selected Term Summary) but consistent with Section 4 above. Once Franchisor has received the signed Franchise Agreement, the Franchise Fee and all ancillary items it requires in satisfactory form, Franchisor will countersign the Franchise Agreement and ancillary agreements and return one fully executed set of contracts to Developer. Developer understands that any obligation or liability Developer incurs with respect to the proposed GNC Store or location before Franchisor has approved it in writing and sent Developer the countersigned Franchise Agreement is at Developer's sole risk, and will be Developer's sole responsibility. With respect to any Franchise Agreement executed in connection with this Agreement, Franchisor acknowledges and agrees that:

(i) the initial term of each Franchise Agreement will be 5 years with the subsequent option to renew for 5-year terms as set forth in the initial Franchise Agreement executed by Developer and Franchisor in connection herewith (the "Initial Franchise Agreement"); and

(ii) neither the distance nor the length of time of the post-termination covenant not to compete in any Franchise Agreement shall be increased from those set forth in the Initial Franchise Agreement;

Developer must comply with Franchisor's then-current franchising policies and procedures for execution of each Franchise Agreement. Franchisor shall be under no obligation to execute a Franchise Agreement unless Developer has complied in a timely manner with all of the terms and conditions of this Agreement and has satisfied all conditions and requirements set forth herein for the execution of the Franchise Agreement. In addition, Franchisor shall be under no obligation to execute a Franchise Agreement if Developer is in breach or default of any other Franchise Agreement or any other agreement between Franchisor and Developer. If any Franchise Agreement contemplated by this Agreement is executed by Franchisor, it shall supersede this Agreement and govern the relationship between the parties hereto with respect to the GNC Store that is the subject matter of such Franchise Agreement.

## **10. NO RIGHT TO OPERATE OR USE TRADEMARKS**

Developer acknowledges and agrees that: (i) until a Franchise Agreement has been entered into for a specific GNC Store, Developer shall not have, nor be entitled to exercise, any of the rights, powers and privileges granted by the Franchise Agreement, including, without limitation, the right to use the Proprietary Marks or the GNC System; (ii) the execution of this Agreement shall not be deemed to grant any such rights, powers or privileges to Developer; and (iii) Developer may not under any circumstances commence operations of any GNC Store prior to Franchisor's approval and execution of a Franchise Agreement for that particular GNC Store.

## **11. TRANSFERS**

11.1 Transfer by Franchisor. Franchisor shall have the right to transfer or assign all or any part of this Agreement and its rights or obligations herein to any person or Entity without Developer's consent and upon such transfer or assignment, the transferee or assignee shall be solely responsible for all of Franchisor's obligations arising out of this Agreement subsequent to the transfer or assignment. In addition, Franchisor shall have the right to delegate performance of any and all of its obligations and duties hereunder. Developer agrees and affirms that Franchisor may sell its assets, the Proprietary Marks and/or the GNC System to a third-party; may offer its securities privately or publicly; may merge, acquire other corporations, or be acquired by another corporation; and/or may undertake a refinancing, recapitalization, leveraged buyout or other economic or financial restructuring. Developer further agrees and affirms that Franchisor has the right, now or in the future, to purchase, merge, acquire or affiliate with an existing competitive or noncompetitive franchise network, chain or any other business regardless of the location of that chain's or business' facilities, and to operate, franchise or license those businesses and/or facilities as GNC Stores operating under the Proprietary Marks or any other marks following Franchisor's purchase, merger, acquisition or affiliation, regardless of the location of these facilities, which Developer acknowledges may be proximate to any of its Stores. With regard to any of the above sales, assignments and dispositions, Developer expressly and specifically waives any claims, demands or damages arising from or related to the loss of Franchisor's name, the Proprietary Marks

(or any variation thereof) and the GNC System and/or the loss of association with or identification of GNC Holdings, LLC under this Agreement. If Franchisor assigns its rights in this Agreement, nothing in this Agreement shall be deemed to require Franchisor to remain in the business of offering franchise or development agreements for GNC Stores or to offer or sell any products or services to Developer.

11.2 Transfer by Developer. Developer understands and acknowledges that the rights and duties set forth in this Agreement are personal to Developer, and are granted in reliance on Developer's business skill, financial capacity and personal character. Accordingly, neither Developer nor any immediate or remote successor to any part of Developer's interest in this Agreement, nor any individual or Entity which directly or indirectly controls Developer, shall sell, assign, transfer, convey, or give away (each a "Transfer"), in whole or in part, any direct or indirect interest in this Agreement or in Developer without the prior written consent of Franchisor. In addition, if Developer is an Entity, the Principals of Developer shall not Transfer their equity interest in Developer without the prior written consent of Franchisor. Furthermore, in the event any Principal of Developer is an Entity, the interest of any such Principal may not be Transferred without the prior written consent of Franchisor. Any Transfer in violation of this Agreement shall be null and void and of no force and effect, and shall constitute a material breach of this Agreement, for which Franchisor may then terminate without opportunity to cure pursuant to Section 12.3 of this Agreement.

11.3 Conditions to Transfer. Franchisor shall not unreasonably withhold its consent to any Transfer as described in Section 11.2 above; provided, however, Franchisor may require, in its sole discretion, as a condition of its approval of any such Transfer:

(i) All of Developer's accrued monetary obligations to Franchisor or any Affiliate of Franchisor shall have been satisfied, all or a portion of which Franchisor may require to be paid in immediately available funds including wire transfers, on or before the date of Transfer;

(ii) Developer is not in default of any provisions of this Agreement or any other agreement with Franchisor, including any Franchise Agreements;

(iii) Developer (and if Developer is an Entity, then its Principals) shall have executed a general release, in a form prescribed by Franchisor, of any and all claims against Franchisor and any of its Affiliates and their respective officers, directors, shareholders, and employees, in their corporate and individual capacities, including, without limitation, claims arising under federal, state, and local laws, rules, and ordinances;

(iv) The transferee (and, if the transferee is an Entity, then its Principals) shall enter into a written agreement, in a form prescribed by Franchisor, assuming and agreeing to discharge all of Developer's obligations under this Agreement; and the transferee's Principals shall guarantee the performance of all such obligations in writing in a form satisfactory to Franchisor;

(v) The transferee (and, if the transferee is an Entity, then its Principals) shall demonstrate to Franchisor's satisfaction that they meet Franchisor's managerial and business standards; possess a good moral character and business experience, and have adequate financial resources and capital to, at Franchisor's discretion, either: (i) comply with the Development

Schedule set forth this Agreement; or (ii) comply with a revised Development Schedule as set forth in a substitute Development Agreement.

(vi) At Franchisor's option, the transferee (and, if the transferee is an Entity, then its Principals) shall execute the then-current standard form of Development Agreement, for a term ending on, at Franchisor's discretion, either (i) the expiration date of this Agreement; or (ii) a mutually-agreed upon expiration date, and all such ancillary agreements as Franchisor may require, which agreements shall supersede this Agreement in all respects and the terms of which agreements may differ from the terms of this Agreement;

(vii) Developer and each guarantor of this Agreement shall remain liable for all obligations of Developer's business prior to the effective date of the Transfer and shall execute any and all instruments reasonably requested by Franchisor to evidence such liability;

(viii) Developer shall transfer all of its right, title and interest in each Franchise Agreement executed and GNC Store operating pursuant to this Agreement to the transferee, subject to the terms and conditions of each Franchise Agreement;

(ix) Except in the case of a Transfer to an Entity formed for the convenience of ownership, a transfer fee in the amount of \$10,000, or such greater amount as is necessary to reimburse Franchisor for its reasonable costs and expenses associated with reviewing and approving the Transfer;

(x) The terms and conditions of the proposed Transfer shall be satisfactory to Franchisor; and/or

(xi) Neither the transferee nor any of its Affiliates or Principals shall be associated with or own a direct or indirect interest in a Competitive Business.

Developer acknowledges and agrees that each condition which must be met by the transferee is necessary to assure such transferee's full performance of the obligations hereunder.

11.4 Offerings By Developer. Securities in Developer may not be offered to the public by private offering or otherwise without the prior written consent of Franchisor. If securities of Developer are offered to the public, all materials required for any such offering by federal or state law shall be submitted to Franchisor for review prior to their use or filing with any government agency; and any materials to be used in any offering exempt from federal or state securities laws shall be submitted to Franchisor for review prior to their use. No such Developer offering shall imply (by use of the GNC Proprietary Marks or otherwise) that Franchisor is participating as underwriter, issuer, or offeror of Developer's or Franchisor's securities; and Franchisor's review of any offering shall be limited solely to the subject of the relationship between Developer and Franchisor. Developer and other participants in the offering must fully indemnify Franchisor in connection with the offering. For each proposed offering, Developer shall pay Franchisor a non-refundable fee in such amount as is necessary to reimburse Franchisor for its reasonable costs and expenses associated with reviewing the proposed offering materials. Developer shall give

Franchisor written notice at least thirty (30) days prior to the date of commencement of any offering or other transaction covered by this section.

#### 11.5 Transfer Upon Death or Incapacity.

(i) Upon the death or Incapacity of any person with an interest in this Agreement or in Developer (the effect of which would cause the Business to temporarily or permanently cease to operate in full compliance with all requirements of this Agreement), Developer shall immediately notify Franchisor of such event. Franchisor may, at its sole discretion, but without any obligation to do so, immediately enter upon the premises of the Business, and install a manager to manage and operate the Business for such time as Franchisor deems necessary, or until an approved Transfer in accordance with the terms of Section 11 occurs. Franchisor shall be entitled to reasonable compensation and recoupment of expenses incurred during this period. If Franchisor assumes management of the Business, Developer acknowledges that Franchisor will have a duty to use only reasonable efforts and will not be liable to Developer or its Principals for any debts, losses or obligations of the Business, or to Developer's creditors for any supplies or services the Store purchases while the Franchisor manages the Business.

(ii) Upon the death or Incapacity of any person with an interest in this Agreement or in Developer (the Transfer of which interest would have the effect of transferring a controlling interest in the Business), the executor, administrator, or personal representative of such person shall transfer their interest within six (6) months after such death or Incapacity to a third party approved by Franchisor. Such Transfers, including without limitation, Transfers by devise or inheritance, shall be subject to the same conditions as any inter vivos Transfer (transfer by conveyance). However, in the case of Transfer by devise or inheritance, if the heirs or beneficiaries of any such person are unable to meet the conditions in this Section 11, the personal representative of the deceased person shall have a reasonable time to dispose of the deceased's interest in this Agreement and the Franchised Business, which disposition shall be subject to all the terms and conditions for Transfers contained in this Agreement. If an approved Transfer is not effected, within a reasonable time, not to exceed six (6) months, Franchisor may terminate this Agreement.

11.6 Non-Waiver of Claims. Franchisor's consent to a Transfer of any interest in this Agreement or in Developer shall not constitute a waiver of any claims Franchisor may have against the transferring party, nor shall it be deemed a waiver of Franchisor's right to demand exact compliance with any of the terms of this Agreement by the transferee.

## 12. **DEFAULT AND TERMINATION**

12.1 Timely Performance. The rights granted to Developer in this Agreement have been granted in reliance on Developer's representations and assurances, among others, that the conditions set forth in this Agreement will be met by Developer in a timely manner.

12.2 Automatic Termination Without Notice. Developer shall be deemed in default under this Agreement, and all rights granted herein shall automatically terminate without notice to Developer, if:

- (i) Developer becomes insolvent, fails to pay debts as they come due and/or admits in writing its inability to pay debts as they come due, or makes a general assignment for the benefit of creditors;
- (ii) Developer files a petition under any bankruptcy or reorganization law or such a petition is filed against and not opposed by Developer;
- (iii) Developer is adjudicated bankrupt or insolvent;
- (iv) A bill in equity or other proceeding for the appointment of a receiver of Developer or other custodian for Developer's business or assets is filed and consented to by Developer;
- (v) A receiver or other custodian (permanent or temporary) of Developer's business or assets or any part thereof is appointed by any court of competent jurisdiction;
- (vi) Proceedings for a composition with creditors under any applicable law should be instituted by or against Developer;
- (vii) A final judgment remains unsatisfied or of record for thirty (30) days or longer (unless a supersedeas bond is filed);
- (viii) Execution is levied against Developer's business or assets; or
- (ix) Suit to foreclose any lien or mortgage against the Developer's business or assets is instituted against Developer and not dismissed within thirty (30) days.

#### WAIVER OF AUTOMATIC STAY

**If Franchisee shall (i) file with any bankruptcy court of competent jurisdiction or be the subject of any petition under Title 11 of the U.S. Code, as amended (the "Bankruptcy Code"), (ii) be the subject of any order for relief issued under the Bankruptcy Code, (iii) file or be the subject of any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any present or future federal or state act or law relating to bankruptcy, insolvency, or other relief to debtors, (iv) have sought or consented to or acquiesced in the appointment of any trustee, receiver, conservator, or liquidator, or (v) be the subject of any order, judgment, or decree entered by any court of competent jurisdiction approving a petition against such party for any reorganization, arrangement, composition, readjustment, liquidation, dissolution, or similar relief under any bankruptcy, insolvency, or relief for debtors, then (a) Franchisor shall thereupon be entitled to relief from any automatic stay imposed by § 362 of the Bankruptcy Code, or any similar provision, (b) Franchisee hereby stipulates and agrees that "cause" under § 362 (c) of the Bankruptcy Code exists for relief from the automatic stay, (c) Franchisee hereby expressly waives any protection afforded by the automatic stay and any objection to Franchisor's relief therefrom, and (d) Franchisee agrees not to oppose or object to such relief.**

12.3 Events of Default. The occurrence of any of the following events shall be deemed a default (a "Default") under this Agreement:

(i) If Developer fails to comply with the Development Schedule or fails to maintain in continuous operation the minimum cumulative number of GNC Stores required by the Development Schedule to be in operation during the applicable time period;

(ii) If Developer or any Bound Party breaches or fails to comply fully with Section 13 hereof;

(iii) If Developer makes or attempts to make a Transfer in violation of Section 11 hereof;

(iv) If Developer, any Principal or any person executing the guarantee attached hereto is convicted of or pleads guilty or no contest to a felony, a crime involving moral turpitude, or any other crime or offense that Franchisor believes is reasonably likely to have an adverse effect on the GNC System, the GNC Proprietary Marks, the goodwill associated therewith, or Franchisor's interest therein;

(v) If Developer or any of its Principals, employees, agents or representatives make or give, or have made or given, to Franchisor any material representation or any false, misleading, inaccurate or incomplete information, whether written or oral, in connection with this Agreement, or in connection with the operation of Developer's Business pursuant to this Agreement;

(vi) If Developer or any of its employees, agents or representatives engage in fraudulent conduct, including knowingly maintaining false books or records or submitting or making any false reports or statements to Franchisor;

(vii) If Developer engages in illegal activities in connection with the operation of Developer's Business;

(viii) If Developer fails to comply with any federal, state or local law or regulation applicable to the operation of the Business;

(ix) If Developer fails to pay the Development Fee or any other payments due in connection with this Agreement when due, and fails to cure such default within five (5) days' written notice of such default;

(x) Developer fails to pay when due any amount owed to any creditor, supplier or lessor of any GNC Store developed hereunder or any taxing authority for federal, state or local taxes (other than amounts being bona fide disputed through appropriate proceedings) and Developer does not correct such failure within 10 calendar days after written notice is delivered thereof to Developer;

(xi) If Developer commits a breach or default under any Franchise Agreement entered into pursuant to this Agreement or any agreement ancillary thereto or any other agreement between Developer and Franchisor and fails to cure such default within the applicable cure period, if any, specified in such agreement, regardless of whether Franchisor in fact terminates such Franchise Agreement, ancillary agreement or other agreement;

(xii) If Developer is dissolved either voluntarily or involuntarily;

(xiii) Developer has received at least three default notices from Franchisor within a 12-month period, even if such default is subject to a right to cure or is cured after notice is delivered to Developer;

(xiv) Developer or any guarantor of its obligations under this Agreement becomes a Specially Designated National or Blocked Person or fails to comply with Section 29 of this Agreement, including a breach of the representations set forth in Section 29 or Franchisor discovers through notice from Developer or through its own investigation that representations set forth in Section 29 are or have become false.

(xv) Except for the defaults set forth in Section 12.2 and Sections 12.3(i) – (xiv) above, if Developer fails to comply with any other terms or conditions of this Agreement, and fails to cure such default or breach (if capable of cure) within fifteen (15) days after receipt of notice of such default or breach.

12.4 Remedies. Upon Developer's Default under this Agreement, Franchisor, in its sole discretion, may do any one or more of the following (subject to Developer's right to cure certain Defaults within the prescribed time periods as described in Section 12.3 above):

(i) Terminate this Agreement and all rights granted hereunder effective immediately upon receipt by Developer of written notice;

(ii) Reduce the number of GNC Stores which Developer is herein granted the right to develop without refunding any portion of any Development Fee;

(iii) Reduce the size of the Development Area granted to Developer in Section 1 hereof; or

(iv) Accelerate the Development Schedule.

12.5 Termination of Rights. Upon termination of this Agreement, Developer shall have no right to establish or operate a GNC Store for which a Franchise Agreement has not been executed by Franchisor and delivered to Developer at the time of termination. Franchisor shall be entitled to establish, and to license others to establish, GNC Stores in the Development Area except as may be otherwise provided for under any Franchise Agreement which has been executed between Franchisor and Developer.

12.6 Cross Default. Any default under any Franchise Agreement entered into pursuant to this Agreement, or any default under any Related Agreement, shall constitute a Default under Section 12.3 of this Agreement.

12.7 Cross Termination. In the event of the termination of this Agreement by Franchisor under this Section 12, Franchisor shall be entitled, at its option, to terminate any or all Related Agreements immediately upon written notice. This means that Franchisor may, at its option, immediately terminate, upon notice and without opportunity to cure, any or all other agreements

between (i) Franchisor (or its Affiliates) and (ii) Developer, its Affiliates or Principals or any Entity in which Developer or any Principal, manager, partner or joint venture of Developer, directly or indirectly, has any interest of ownership or participation. Developer acknowledges that this provision may result in the termination of one or more other Related Agreements that may or may not relate directly to the Business. Developer further acknowledges that this provision may result in the termination of one or more other development agreements or franchise agreements for other GNC Stores and any agreements related to those other GNC Stores, regardless of location.

12.8 Required Actions by Developer. Upon termination or expiration of this Agreement for any reason, in addition to any requirements pursuant to Section 12.9 below, Developer shall:

(i) Immediately cease to operate Developer's Business and shall not thereafter directly or indirectly represent to the public or hold itself out as a present or former developer of Franchisor;

(ii) Immediately and permanently cease to use in any manner whatsoever any Confidential Information and Proprietary Marks;

(iii) Promptly pay all sums owing to Franchisor and its Affiliates;

(iv) Promptly pay to Franchisor all damages, costs and expenses, including reasonable attorneys' fees and court costs, incurred by Franchisor in connection with the termination of this Agreement, whether incurred before or after such termination; and

(v) Turn over to Franchisor all manuals, records, files, instructions, correspondence and all other materials relating to the operation of the Business which are in Developer's possession and all copies thereof.

12.9 Effect of Expiration or Termination. Upon the expiration or termination of this Agreement for any reason, any and all rights granted to Developer hereunder shall be extinguished immediately, and Developer shall not be relieved of any of its obligations, debts or liabilities hereunder. All rights and licenses granted to Developer hereunder to develop GNC Stores shall revert to the Franchisor, and Franchisor shall have the right to develop, or license others to develop, without any obligation to Developer, GNC Stores in the Development Area. Developer shall have no further rights to develop GNC Stores, and Developer shall immediately cease all use of the Proprietary Marks, except as permitted under the terms of a fully executed Franchise Agreement that is in effect at the time of the termination or expiration. With respect to such then-effective Franchise Agreements, subject to Franchisor's rights under Sections 12.6 and 12.7, Developer shall retain its interest as a franchisee thereunder, provided that Developer is not in default under such Franchise Agreements. Upon the termination or expiration of this Agreement, Developer shall also undertake the following: (i) strictly comply with the post-termination/post-expiration covenant not to compete and non-solicitation covenant set forth herein; and (ii) continue to abide by those restrictions pertaining to the use of Franchisor's Confidential Information as set forth herein. The expiration and termination of this Agreement will be without prejudice to the rights of the Franchisor against Developer and the expiration or termination will not relieve Developer of any of its obligations to Franchisor existing at the time

of such expiration or termination, or terminate those obligations of the Developer which by their nature survive the expiration or termination of this Agreement.

### **13. RESTRICTIVE COVENANTS**

#### **13.1 Covenants Not to Compete.**

(i) Non-Competition during Term. In addition to and not in limitation of any other restrictions on Developer contained herein, Developer and Developer's spouse, and, if Developer is not an individual, its owners, shareholders, members, partners and managers, as applicable, and their spouses (each, a "Bound Party"), agree that they will not, during the term of this Agreement, directly or indirectly, for and on behalf of itself, himself, herself or any other person or entity, (a) have any direct or indirect interest as a disclosed or beneficial owner in a Competitive Business (as defined below), regardless of location or (b) perform services as a director, officer, manager, employee, consultant, representative, agent, or otherwise for a Competitive Business, regardless of location.

(ii) Post-Term Non-Competition. In addition to and not in limitation of any other restrictions on Developer contained herein, Developer and the Bound Parties agree that they will not, for one year following the effective date of termination or expiration of this Agreement for any reason, or following the date of a Transfer by Developer, directly or indirectly, for and on behalf of itself, himself, herself or any other person or entity, (a) have any direct or indirect interest as a disclosed or beneficial owner in a Competitive Business or (b) perform services as a director, officer, manager, employee, consultant, representative, agent, or otherwise for a Competitive Business which, in either case, is located or operating within a five mile radius of any GNC Store.

(iii) General. For purposes of this Agreement, the term "Competitive Business" means any business operating, or granting franchises or licenses to others to operate, a store or other business that offers for sale goods or services that are the same as or similar to those distributed to or offered at a GNC Store (other than another GNC Store operated by Developer under license from Franchisor). Neither Developer nor the other Bound Parties will be prohibited from owning securities in a Competitive Business if they are listed on a stock exchange or traded on the over-the-counter market and represent 5% or less of the number of shares of that class of securities which are issued and outstanding. The parties acknowledge that the covenants contained in this Section 13.1 are based on the reason and understanding that Developer and the Bound Parties will possess knowledge of Franchisor's business and operating methods and confidential information, disclosure and use of which would prejudice the interest of Franchisor and its franchisees. Developer further understands and acknowledges the difficulty of ascertaining monetary damages and the irreparable harm that would result from breach of these covenants. If any part of this restriction is found to be unreasonable in time or distance, such time or distance may be reduced by appropriate order of the court to that deemed reasonable. Franchisor shall, as a matter of course, receive injunctive relief to enforce such covenants in addition to any other relief to which it may be entitled at law or in equity. Franchisor shall receive such injunctive relief without the necessity of posting bond or other security, such bond or other security being hereby waived.

~~13.2 Non Solicitation of Employees. Developer and the Bound Parties agree that for one year after expiration or termination of this Agreement for any reason, or following the date of a Transfer by Developer, they will not, directly or indirectly, solicit or attempt to solicit, or otherwise interfere with or disrupt the employment relationship between Franchisor and any of its employees or between any other GNC franchisee and its employees.~~

13.2 Confidential Information. Developer acknowledges and agrees that in connection with the development and operation of GNC Stores and the GNC System, Franchisor has developed, at great expense, competitively sensitive proprietary and confidential information which is not known or available to the public. Developer and each Bound Party shall not, during the term of this Agreement or thereafter, directly or indirectly, communicate, divulge, copy or use for such party's benefit, or the benefit of any other person or Entity, any of Franchisor's Confidential Information, except as required to carry out Developer's obligations under this Agreement or as Franchisor has otherwise authorized in writing. All Confidential Information is the sole and exclusive property of Franchisor. Developer shall divulge such Confidential Information only to such of its employees who have executed covenants as required under this Section 13.32 and who must have access in connection with their employment to operate the Developer's Business. Developer agrees that it and all of its employees and agents will take appropriate steps to protect the Confidential Information from any unauthorized, disclosure, copying or use. Developer and the Bound Parties shall be liable to Franchisor for any breach of these confidential obligations by a Bound party or by Developer, its Principals, managers, employees, agents, representatives or contractors. At any time, upon Franchisor's request, and, in any event upon termination or expiration of this Agreement, Developer will immediately stop using and return any copies of documents containing Confidential Information and will take appropriate steps to permanently delete and render unusable, any Confidential Information stored electronically and certify the same to Franchisor in writing.

13.3 Irreparable Harm. Developer and the Bound Parties acknowledge that the provisions of this Section 13 are and have been a primary inducement to Franchisor to enter into this Agreement, and that any failure to comply with the requirements of Section 13 will cause Franchisor irreparable injury without an adequate remedy at law. Developer and the Bound Parties agree to pay all court costs and reasonable attorneys' fees incurred by Franchisor in obtaining specific performance of, or an injunction against violation of, the requirements of this Section 13.

13.5 Personal Covenants of Bound Parties. As a condition to the effectiveness of this Agreement, and at the time Developer delivers this signed Agreement to Franchisor, each Bound Party of Developer must sign and deliver to Franchisor the Personal Covenants attached hereto as Exhibit A (the "Personal Covenants"), agreeing to be bound personally by all the provisions of this Section 13. If there are any changes in the identity of any such Bound Party while this Agreement is in effect, Developer must notify Franchisor promptly and make sure the new Bound Party signs and delivers to Franchisor the Personal Covenants.

13.6 Agreements by Other Third Parties. As a condition to Franchisor's execution of this Agreement, Developer, if requested by Franchisor, shall cause each of its management and supervisory employees and other employees to whom disclosures of Confidential Information are

made, or who may have access to Confidential Information, to execute a ~~noncompetition, nonsolicitation and/or~~ nondisclosure agreement in the form(s) prescribed by Franchisor from time to time. Such agreement shall include, without limitation, specific identification of Franchisor as a third-party beneficiary of such agreements with the independent right to enforce them.

#### **14. RIGHT OF FIRST REFUSAL**

14.1 Transfer of Developer. If during the term of this Agreement, Developer shall receive a bona fide offer from a prospective purchaser for any interest in Developer or any GNC Stores (whether by sale of assets, sale of equity interest, merger, consolidation or otherwise), it shall first offer the same to Franchisor in writing at the same price and on the same terms or the monetary equivalent; which offer Franchisor may accept at any time within 30 days after receipt thereof. If the parties cannot agree on a reasonable monetary equivalent, an independent appraiser designated by Franchisor shall determine the monetary equivalent and the appraiser's determination will be final. If Franchisor declines, or does not within such 30 day period accept, such offer, then Developer may make such Transfer to such purchaser (provided Franchisor approves of such purchaser in accordance with Section 11 and subject to compliance with Section 11), but not at a lower price nor on more favorable terms than have been offered to Franchisor. If Developer fails to complete such Transfer within 90 days following the refusal or failure to act by Franchisor, then Developer may not complete such Transfer without first offering the same to Franchisor again as provided above. In no event shall Developer or any Principal offer any interest in this Agreement or in Developer or in any Principal for Transfer at public auction, nor at any time shall an offer be made to the public to Transfer this Agreement or any interest in Developer or any Principal, through the medium of advertisement, either in the newspapers or otherwise, without having first obtained the written consent of Franchisor to such advertisement or publication.

14.2 Franchise of Additional Stores. Subject to Franchisor's Retained Rights and to Franchisor's rights under Section 11.1, if, for a period of one (1) year after the expiration of this Agreement, Franchisor identifies within the Development Area a site for development or operation of a new franchised GNC Store, then Franchisor shall grant to Franchisee the right and option to franchise such site by providing to Franchisee written notice and a Franchise Agreement for such site along with Franchisor's then current Franchise Disclosure Document ("Disclosure Document"). To exercise its option to franchise the site Franchisor has identified, Franchisee must execute the Franchise Agreement and Disclosure Document receipt and return both items to Franchisor with the then-current initial franchise fee on or before expiration of thirty (30) days from receipt of Franchisor's notice. If Franchisee does not elect to exercise the option in the specified manner within such period, or waives its right prior to expiration of such period by written notice to Franchisor, then Franchisor, or its Affiliate, shall have the right (without any liability whatsoever to Franchisee) to license such right to another franchisee, and Franchisee's right and option to such site shall expire and be of no further force or effect. The right of first refusal in this Section 14.2 shall not apply to sites identified by Franchisor within the Development Area that Franchisor or its Affiliates will own and operate themselves as GNC corporate Stores. This Section 14.2 shall survive the expiration of this Agreement.



## **15. OWNERSHIP OF DEVELOPER**

Attached hereto as Exhibit B is a description of the legal organization of Developer (whether a corporation, limited, liability company, partnership, sole proprietorship, or otherwise), the names and addresses of each person or entity owning a any interest in Developer (the “Principal Owners”) and the percentage of such interest owned by such person or entity. Developer agrees to notify Franchisor in writing whenever there is any change in the organizational structure or ownership interest of Developer as set forth on Exhibit B. Franchisor may require each Principal to execute the Guaranty Agreement attached hereto as Exhibit C.

## **16. SUCCESSORS AND THIRD-PARTY BENEFICIARIES**

This Agreement and the covenants, restrictions and limitations contained herein shall be binding upon and shall inure to the benefit of Franchisor and its successors and assigns and shall be binding upon and shall inure to the benefit of Developer and its heirs, personal representatives, successors and permitted assigns. Nothing in this Agreement is intended, nor is deemed, to confer any rights or remedies upon any person or legal entity not a party hereto. This Agreement is, however, intended to bind the Bound Parties to the extent set forth in this Agreement.

## **17. CONSTRUCTION**

All terms and words used in this Agreement, regardless of the number and gender in which they are used, shall be deemed and construed to include any other number, and any other gender, as the context or sense of this Agreement or any provision hereof may require, as if such words had been fully and properly written in the appropriate number and gender. All covenants, agreements and obligations assumed herein by Developer shall be deemed to be joint and several covenants, agreements and obligations of each of the persons named as Developer, if more than one person is so named. Except where this Agreement expressly obligates Franchisor not to unreasonably withhold its approval of any of Developer’s actions or requests, Franchisor has the absolute right, in its sole and arbitrary discretion, to refuse any request Developer makes or to withhold its approval of any of Developer’s proposed or effected actions that require Franchisor’s approval.

## **18. INTERPRETATION AND HEADINGS**

The parties agree that this Agreement should be interpreted according to its fair meaning. Developer waives to the fullest extent possible the application of any rule which would construe ambiguous language against Franchisor as the drafter of this Agreement. The words “include,” “includes” and “including” when used in this Agreement will be interpreted as if they were followed by the words “without limitation.” References to section numbers and headings will refer to sections of this Agreement unless the context indicates otherwise. Captions and section headings are used herein for convenience only. They are not part of this Agreement and shall not be used in construing it.

## 19. NOTICES

~~Any notice, demand, consent, approval, request, offer, waiver or other communication and all notices required or permitted or required to be given hereunder under this Agreement shall be in writing and shall be either sent by (i) personally delivered personal delivery, (ii) mailed by prepaid first class U.S. certified or registered or certified mail, postage prepaid, return receipt requested, or (iii) sent by Federal Express or other nationally recognized overnight delivery courier service, or (iv) electronic mail (including PDF), to the party entitled or required to receive the same respective parties at the address first above written, or to such other addresses as a party may designate by set forth in the introductory paragraph of this Agreement, unless and until a different address has been designated by written notice to the other party in accordance with this Section 19. All such notices, demands, consents, approvals, requests, offers, waivers and other communications will (a) if delivered personally in the manner and to the address provided in this Section, be set forth herein. Any such notice shall be deemed given to have been given (i) if personally delivered, upon delivery, (b) (or delivery refused), (ii) if delivered by mail in the manner, and to the address provided in this section, be deemed given on the earlier of the fourth business day following sent by U.S. certified or registered mail, three (3) days after mailing or upon receipt, and (c, (iii) if delivered sent by overnight courier in the manner and to the address provided in this Section, be deemed given service, on the date of the first attempted delivery, or (iv) if sent by electronic mail, on the earlier of receipt or the first business day following the date sent by such overnight courier. date of transmission, provided that the sender has received a delivery confirmation generated by the sender's email system which indicates that the email was delivered to the recipient's email address, in each case excluding Sundays and national holidays and regardless of whether the party refuses delivery or is no longer at the address for notice.~~

## 20. APPLICABLE LAW

20.1. Governing Law. This Agreement has been entered into and shall be governed by, and construed, interpreted and enforced in accordance with the laws of the Commonwealth of Pennsylvania, which laws shall prevail in the event of any conflict of law; provided, however, that if any provision of this Agreement would not be enforceable under the laws of Pennsylvania, and if the Business is located outside of Pennsylvania, and further, if such provision would be enforceable under the laws of the state in which the Business is located, then such provision shall be interpreted and construed under the laws of that state. Nothing in this choice of law provision is intended to make applicable any state franchise law that would otherwise not be applicable.

20.2 Arbitration. Except as set forth in Section 20.3 below, any claims between Franchisor and Franchisee shall be resolved by arbitration using the procedures set forth below.

(i) The arbitration shall be conducted in Pittsburgh, Pennsylvania by a Board of Arbitrators selected as provided below using the then-prevailing commercial arbitration rules of a recognized independent alternate dispute resolution service to be selected by Franchisor such as the American Arbitration Association, JAMS/Endispute or United States Mediation and Arbitration.

(ii) The Board of Arbitrators shall consist of three disinterested attorneys skilled in the subject matter of the issues in dispute. Within twenty (20) days of the institution of the

arbitration, one of such arbitrators shall be selected by the Franchisor and the second arbitrator shall be selected by Franchisee. The two arbitrators so selected shall select the third arbitrator within twenty (20) days after the last of the first two arbitrators is selected.

(iii) The Board of Arbitrators, as promptly as practicable after selection of the members thereof, shall give to each of the parties a written notice stating the time and place of the hearing upon the matters and questions submitted for arbitration. Such notice shall be given not less than thirty (30) days before the date of such hearing. At such hearing, the Board of Arbitrators shall proceed to a determination of the matters and questions submitted for arbitration. Each of the parties shall be entitled to be represented at such hearing, by counsel or otherwise, and to submit evidence and present arguments in respect of the issues in dispute.

(iv) Promptly upon conclusion of the arbitration, the Board of Arbitrators shall submit to each of the parties a written statement of its findings and determinations and issue an award to the prevailing party. Action concurred in by any two of the arbitrators shall constitute action of the Board of Arbitrators. Such findings and determinations shall be final and binding upon the parties for all of the purposes hereof, subject to applicable law governing review of arbitration awards.

(v) In addition to the award, the statement of the Board of Arbitrators as to its findings and determinations shall also set forth the amount of the expenses of the arbitration and shall state the portion, if any, of such amount payable by Franchisee and the portion, if any, of such amount payable by Franchisor. Each of the parties shall promptly pay to the Board of Arbitrators the amount, if any, so stated. If the award of the Board of Arbitrators includes an award for a sum of money, the award may be entered as a judgment in any court of competent jurisdiction.

**(vi) EACH ARBITRATION ACTION SHALL BE BROUGHT ONLY IN A PARTY'S INDIVIDUAL CAPACITY AND NOT AS A PLAINTIFF OR CLASS MEMBER IN ANY PURPORTED CLASS OR REPRESENTATIVE PROCEEDING. TO THE EXTENT PERMITTED BY LAW, FRANCHISEE AGREES THAT EACH ARBITRATION PROCEEDING WILL BE CONSIDERED UNIQUE AS TO ITS FACTS AND WILL NOT BE COMMENCED OR PROCEEDED WITH AS A CLASS ACTION. TO THE EXTENT PERMITTED BY LAW, FRANCHISEE WAIVES ANY RIGHT TO PROCEED AGAINST FRANCHISOR OR ITS AFFILIATES BY WAY OF CLASS ACTION.**

(vii) Disputes concerning the validity or scope of this Section 20, including whether a dispute is subject to arbitration, are beyond the authority of the arbitrator(s) and shall be determined by a court of competent jurisdiction pursuant to the Federal Arbitration Act, 9 U.S.C. §1 et seq., as amended from time to time. The provisions of this Section 20 shall continue in full force and effect subsequent to any expiration or termination of this Agreement.

(viii) Notwithstanding the foregoing, Franchisor shall not be precluded from seeking provisional remedies in the courts of any jurisdiction including, but not limited to, temporary restraining orders and preliminary injunctions, to protect its rights.

20.3. Litigation. Franchisor may, in its sole discretion and notwithstanding the foregoing, opt out of arbitration and elect to litigate in a court of law any claims it may have against Franchisee.

20.4. Forum Selection; Venue. If Franchisor selects litigation or notwithstanding the provisions of this Agreement to the contrary, if a court determines that a Developer is entitled to bring and maintain an action against Franchisor in a court of law, then and in that event, the parties agree that any action brought by Developer or any person or Entity claiming through Developer against Franchisor or its Affiliates in any court, whether federal or state, shall be brought and completed only within the Commonwealth of Pennsylvania in the judicial district in which Franchisor has its principal place of business, provided further that, if there is subject matter jurisdiction, such action shall only be brought in the federal district courts of the Western District of Pennsylvania; and the parties expressly waive all objections to personal jurisdiction or venue or that the forum is inconvenient for the purpose of carrying out this provision. The parties also agree that Franchisor may bring any action against Developer in any court, whether federal or state, within or outside of the Commonwealth of Pennsylvania. If Franchisor brings an action or other proceeding against Developer in any state or federal court located within the Commonwealth of Pennsylvania in the judicial district in which Franchisor has its principal place of business, Developer accepts generally and unconditionally the *in personam* jurisdiction and venue of the aforesaid courts and waives any defense of *forum non conveniens*.

20.5. Waiver of Jury Trial, Punitive Damages and Class Actions.

(i) Franchisor and Developer agree that in any litigation, suit, action, counterclaim, crossclaim or proceeding, whether at law or in equity, which arises out of, concerns, or relates to this Agreement, or any and all transactions contemplated hereunder or thereunder, the performance of this Agreement, or the relationship between the parties or otherwise, trial shall be by a court of competent jurisdiction and not by a jury. Franchisor and Developer hereby irrevocably waive any right either party may have to a trial by jury. Either Franchisor or Developer may file an original counterpart or a copy of this Agreement with any court as written evidence of the consent of Franchisor and Developer to the waiver of their right to trial by jury.

(ii) Except for actions for trademark, trade dress or trade name infringement or other infringement or misappropriation of Franchisor's proprietary rights to any trademark, trade dress, patent, copyright, trade secret or other proprietary information, Franchisor and Developer hereby waive, to the fullest extent permitted by law, any right to or claim for multiple, punitive or exemplary damages against the other and agree that in the event of any action between them, no party shall seek multiple, punitive or exemplary damages with respect to any claim or cause of action against the other party, whether in arbitration, mediation or litigation, and each party shall be limited to the recovery of any actual damages sustained by it and costs and expenses.

(iii) ANY LITIGATION ACTION SHALL BE BROUGHT ONLY IN A PARTY'S INDIVIDUAL CAPACITY AND NOT AS A PLAINTIFF OR CLASS MEMBER IN ANY PURPORTED CLASS OR REPRESENTATIVE PROCEEDING. TO THE

**EXTENT PERMITTED BY LAW, DEVELOPER AGREES THAT ANY LITIGATION PROCEEDING WILL BE CONSIDERED UNIQUE AS TO ITS FACTS AND WILL NOT BE COMMENCED OR PROCEEDED WITH AS A CLASS ACTION. TO THE EXTENT PERMITTED BY LAW, FRANCHISEE WAIVES ANY RIGHT TO PROCEED AGAINST FRANCHISOR OR ITS AFFILIATES BY WAY OF CLASS ACTION.**

20.6. Claims Period. Any and all claims and actions arising out of or relating to this Agreement, the relationship between Developer and Franchisor, or the operation of the Business brought by any party to this Agreement against another party to this Agreement, shall be commenced within the earlier of one (1) year from the discovery of the facts giving rise to such claim or action, or the expiration of such earlier limitations period as may be prescribed by applicable law, or such claim or action shall be barred; provided, however, that this time limitation shall not apply to unperformed financial obligations of Developer to Franchisor or indemnity obligations relating to third party claims of creditors or claimants against the Business.

20.7. Cumulative Remedies. No right or remedy conferred upon or reserved to Franchisor or Developer by this Agreement is intended to be, nor shall be deemed, exclusive of any other right or remedy herein or by law or equity provided or permitted, but each shall be cumulative of every other right or remedy.

20.8. Attorneys' Fees and Costs. In any litigation, mediation, arbitration, or other legal action relating to or in connection with the Business, this Agreement or the relationship between the parties, to the extent Franchisor is the prevailing party, Franchisor shall be entitled to recover its reasonable costs and expenses, including attorneys' fees, paralegal fees, investigative costs, and court costs incurred in connection therewith, whether such costs, fees and expenses are incurred before or at trial, on appeal, during any insolvency or bankruptcy proceedings, during any post-judgment collection proceedings, or otherwise, from Developer.

## **21. WAIVER**

No waiver, delay, omission or forbearance on the part of Franchisor to exercise any right, option, duty or power arising from any default or breach by Developer shall affect or impair the rights of Franchisor with respect to any subsequent default of the same or a different kind; nor shall any delay or omission of Franchisor to exercise any right arising from any such default affect or impair Franchisor's rights as to such default or any future default.

## **22. SEVERABILITY**

If any term, restriction or covenant of this Agreement is deemed invalid or unenforceable, all other terms, restrictions and covenants and the application thereof to all persons and circumstances subject hereto shall remain unaffected to the extent permitted by law; and if any application of any term, restriction or covenant to any person or circumstance is deemed invalid or unenforceable, the application of such terms, restriction or covenant to other persons and circumstances shall remain unaffected to the extent permitted by law.

## **23. RELATIONSHIP OF THE PARTIES; INDEMNIFICATION**

23.1 Independent Contractor. It is the express intention of the parties hereto that Developer is and shall be an independent contractor under this Agreement, and no partnership, joint venture, fiduciary relationship or other special relationship shall exist between Developer and Franchisor. This Agreement does not constitute Developer as the agent, legal representative or employee of Franchisor for any purpose whatsoever, and Developer is not granted any right or authority to assume or create any obligation for or on behalf of, or in the name of, Franchisor or in any way to bind Franchisor. Developer agrees not to incur or contract for any debt or obligation on behalf of the Franchisor, or commit any act, make any representation or advertise in any manner, which may adversely affect any right of Franchisor, or be detrimental to the good name and reputation of Franchisor or any other developers of Franchisor.

23.2 Indemnification. Developer agrees to indemnify and hold harmless Franchisor, its Affiliates, and their respective shareholders, officers, directors, employees, agents, successors and assignees (the “Indemnified Parties”) from and against any and all claims, obligations, lawsuits, demands, investigations, damages, losses and liabilities arising directly or indirectly from, as a result of, or in connection with Developer’s ownership or operation of the Business or breach of this Agreement, as well as the costs, including attorneys’ fees and court costs, of defending against them. However, Franchisee shall not be required to indemnify Franchisor for any claims to the extent arising out of the gross negligence or intentional misconduct of the Franchisor. Franchisor has the exclusive right to defend any such claim. Under no circumstances will Franchisor or any other Indemnified Party be required to seek recovery from any insurer or other third party, or otherwise mitigate its or their losses and expenses, in order to maintain and recover fully a claim against Developer.

## **24. DELEGATION BY FRANCHISOR**

Franchisor shall have the right to delegate performance of any or all of its obligations and duties hereunder. Developer hereby agrees to such delegation.

## **25. REVIEW OF SYSTEM**

Developer’s success in this business is speculative and depends, to an important extent, upon Developer’s ability as an independent business owner and further on Developer’s efforts in the operation of the business. By Developer’s signature below, Developer acknowledges that Developer has entered into this Agreement after making an independent investigation of the GNC System.

## **26. NO RIGHT OF SET OFF**

Developer agrees that it will not set off or withhold payment of any amounts it owes Franchisor on the grounds of Franchisor’s alleged nonperformance of any of Franchisor’s obligations under this Agreement or for any other reason. Developer agrees that all such claims will, if not otherwise resolved, be submitted to arbitration as provided in Section 20.

## **27. ENTIRE AGREEMENT**

This Agreement and any addendum, schedule or exhibit attached hereto contains the entire agreement between the parties hereto relating to the subject matter hereof and no representations, inducements, promises, agreements, arrangements or undertakings, oral or written, have been made by the parties other than those set forth herein; provided, that nothing in this Agreement is intended to disclaim the representations made in the Franchise Disclosure Document provided by Franchisor to Developer. By entering into this Agreement, Developer expressly consents to transact business with Franchisor electronically and that, consistent with the Uniform Electronic Transactions Act and all other applicable state and federal laws, this Agreement, any Related Agreement, and any attachments and addenda to any of them may be executed by electronic signatures, including through use of DocuSign or any other electronic signature program. The parties to this Agreement agree that (i) the parties' electronic signatures are intended to authenticate the writing and to have the same force and effect as the use of manual signatures, and (ii) an electronically signed version of this Agreement, any Related Agreement, and any attachments or addenda to any of them shall constitute an original for all purposes. No agreement altering, changing, waiving or modifying any of the terms and conditions of this Agreement shall be binding upon either party unless and until the same is made in writing and executed by all of the parties. This Agreement may not be amended or supplemented by a course of conduct. This Agreement shall not be effective unless fully executed by Developer and Franchisor. To the fullest extent allowed by applicable law, Developer waives any law or rule that would construe ambiguous language against Franchisor as the drafter of this Agreement.

## **28. COUNTERPARTS**

This Agreement may be signed and delivered in multiple counterpart copies, including by facsimile or other electronic means, each of which will be deemed an original. By entering into this Agreement, Developer expressly consents to transact business with Franchisor electronically and that, consistent with the Uniform Electronic Transactions Act and all other applicable state and federal laws, this Agreement and any attachments and addenda thereto may be executed by electronic signatures, including through use of DocuSign or any other electronic signature program. The parties to this Agreement agree that (i) the parties' electronic signatures are intended to authenticate the writing and to have the same force and effect as the use of manual signatures, and (ii) an electronically signed version of this Agreement and any attachments or addenda thereto shall constitute an original for all purposes.

## **29. BLOCKED PERSONS OR ENTITIES**

Developer represents and warrants to Franchisor that, to its actual and constructive knowledge: (i) neither Developer (including, for purposes of this section, its Principals, directors and officers), nor any of its Affiliates, funding sources or guarantors, is identified on the list of the U.S. Treasury's Office of Foreign Assets Control ("OFAC"); (ii) neither Developer nor any of its Affiliates or guarantors are directly or indirectly owned or controlled by the government of any country that is subject to an embargo imposed by the United States government; (iii) neither Developer nor any of its Affiliates or guarantors are acting on behalf of a government of, or are involved in business arrangements or other transactions with, any country that is subject to such an embargo. Developer agrees to notify Franchisor in writing immediately upon the occurrence of any event which would cause the foregoing representations and warranties of this Section 29 to

be incorrect in any respect. Notwithstanding anything to the contrary in this Agreement, Developer may not allow or sustain a Transfer to a Specially Designated National or Blocked Person or to an Entity in which a Specially Designated National or Blocked Person has an interest.

### **30. ACKNOWLEDGEMENTS**

Developer acknowledges and certifies to Franchisor each of the following:

A. NEITHER DEVELOPER NOR ANY OF ITS SHAREHOLDERS, MEMBERS, OFFICERS, DIRECTORS, EMPLOYEES OR AGENTS HAVE RECEIVED OR HAVE ANY KNOWLEDGE OF ANY REPRESENTATIONS, PROMISES, CLAIMS OR STATEMENTS BY FRANCHISOR OR ITS OFFICERS, DIRECTORS, EMPLOYEES OR AGENTS ABOUT THE BUSINESS CONTEMPLATED BY THIS AGREEMENT THAT ARE CONTRARY TO THE INFORMATION CONTAINED IN THE FRANCHISE DISCLOSURE DOCUMENT OR THE TERMS OF THIS AGREEMENT OR ANY RELATED AGREEMENT.

B. FRANCHISOR EXPRESSLY DISCLAIMS THE MAKING OF, AND DEVELOPER ACKNOWLEDGES THAT DEVELOPER AND ITS SHAREHOLDERS, MEMBERS, OFFICERS, DIRECTORS, EMPLOYEES AND/OR AGENTS HAVE NOT RECEIVED, ANY PROMISE, REPRESENTATION, WARRANTY OR GUARANTY, EXPRESSED OR IMPLIED, AS TO THE POTENTIAL VOLUME, PROFITS OR SUCCESS OF THE BUSINESS VENTURE CONTEMPLATED BY THIS AGREEMENT.

### **31. DEFINITIONS**

For purposes of this Agreement, the terms listed below appearing as initially capitalized terms shall have the meanings set forth below. Other terms used in this Agreement are defined and construed in the context in which they occur.

31.1 Affiliate. “Affiliate” means any person or Entity that directly or indirectly owns or controls the referenced party, that is directly or indirectly owned or controlled by the referenced party, or that is under common control with the referenced party. For purposes of this definition, “control” means the power, directly or indirectly, to direct or cause the direction of the management and policies of an Entity, whether through ownership of voting securities, by contract or otherwise.

31.2 Business. “Business” means the business carried on by Developer in developing GNC Stores pursuant to this Agreement.

31.3 Confidential Information. “Confidential Information” means all information, however received or learned, relating to the System, trade secrets, financial information, product cost information, margin information, supplier information, pricing data, operating data, financial plans, customer and supplier lists, promotional policies, business plans and strategies, standards and procedures, product formulas and specifications, marketing and sales programs, site selection and marketing methods and techniques, research, development, knowledge, know-how, techniques, skill, technology, data, reports, memoranda and other financial, technical or other business information of Franchisor or its Affiliates, with the exception of: (a) information that, at

the time of disclosure, already is published or generally known to the public; (b) information that, after disclosure by Franchisor to Developer, is published or becomes generally known to the public except as a result of the breach of this Agreement; (c) information that Developer can demonstrate was in its possession at the time of disclosure by Franchisor, as evidenced by records kept in the ordinary course of business or by proof of actual prior possession, and was not acquired, directly or indirectly, from Franchisor or any third party in violation of any contractual, fiduciary or legal obligation with respect to the information; or (d) information that is obtained by Developer from any third party lawfully in possession of the information and not in violation of any contractual, fiduciary or legal obligation with respect to the information.

31.4 Entity. “Entity” means any corporation, limited liability company, partnership, joint venture, business trust or similar association or legal entity.

31.5 Governing Documents. “Governing Documents” means the organizational and other governing documents of an Entity.

31.6 Incapacity. “Incapacity” means the inability of Developer or if Developer is an Entity, its Principals, to actively participate in the activities of Developer hereunder for any reason.

31.7 Internet. “Internet” means the Internet or World Wide Web (or any successor) or other on-line network including, but not limited to, those using delivery over computers, televisions, cable, set top boxes, Intranets, MP3 players or personal digital assistants.

31.8 Principals. “Principals” means all persons or Entities holding a legal or beneficial ownership interest in Developer, directly or indirectly, including any Entity directly or indirectly controlling Developer and all persons or Entities that have any other direct or indirect interest in Developer’s assets.

31.9 Proprietary Marks. “Proprietary Marks” mean the trademarks, trade names, service marks, logos, emblems, insignia and other commercial symbols (including the marks “GNC”, “GENERAL NUTRITION CENTER”, and “GNC LIVE WELL”) developed and approved for use by Franchisor under the GNC System from time to time.

31.10 Related Agreements. “Related Agreements” means any agreement entered into between (i) Franchisor or its Affiliates, and (ii) any of Developer, its Affiliates or Principals or any Entity in which Developer or any Principal, manager, partner or joint venturer of Developer, directly or indirectly, has any interest of ownership or participation. Related Agreements include any such agreements whether they are related or unrelated to the Business, and include Franchise Agreements entered into pursuant to this Agreement, as well as any development, franchise or other agreements related to the development or operation of other GNC Store(s) or other GNC franchised businesses.

31.11 Specially Designated National or Blocked Person. “Specially Designated National or Blocked Person” means (i) a person or entity designated by OFAC (or any successor office or agency of the U.S. government) from time to time as a “specially designated national or blocked person” or similar status, (ii) a person or entity described in Section 1 of U.S. Executive Order 13224, issued on September 23, 2001, or (iii) a person or entity otherwise identified by government or legal authority as a person with whom Franchisor or its Affiliates are prohibited from transacting

business.

31.12 System. “GNC System” or “System” means the methods, techniques, standards and specifications of developing, opening, operating and promoting GNC Stores which operate under the Proprietary Marks and feature distinctive trade dress; interior and exterior building design and Store format; standards and specifications for construction, equipment, signs, furnishings, assistance and training; sales and management assistance and training; operating procedures for the storage, display and sale of the products and services; and specialized methods and techniques for inventory and cost purchasing, customer service, sales promotion and advertising; all of which may be changed, improved and further developed by Franchisor from time to time.

IN WITNESS WHEREOF, the undersigned have executed or caused their duly authorized representatives to execute this Agreement as of the Effective Date.

FRANCHISOR:

GNC HOLDINGS, LLC

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

DEVELOPER:

If an Individual: \_\_\_\_\_

Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_

If other than an Individual: [INSERT ENTITY  
NAME]

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Exhibit A

Personal Covenants

(See Attached)

PERSONAL COVENANTS

Each of the undersigned (“you”) agrees that:

1. All capitalized terms used but not defined in this Personal Covenants shall have the meaning set forth in that certain GNC Holdings, LLC Area Development Agreement, dated as of the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ (the “Development Agreement”), by and between GNC Holdings, LLC (“Franchisor”), and (“Developer”).

2. You are a Bound Party.

3. As an inducement to Franchisor to enter into the Development Agreement, and in consideration of the direct and personal benefits you will derive from the Development Agreement, you agree that: (i) you have read and understand all the provisions of Sections 13 and 20 of the Development Agreement; (ii) you will be personally bound by all of the obligations and covenants of Developer contained in Sections 13.1, 13.2, 13.3, 13.4 and 20 as if such obligations and covenants were made and given personally by you directly to Franchisor; and (iii) such obligations and covenants are fair and reasonable and will not deprive you of your livelihood.

4. If any sentence, clause, paragraph, or combination of any of them in Sections 13.1, 13.2, 13.3, 13.4, 13.5 and 20 of the Development Agreement is held by a court of competent jurisdiction to be unenforceable as applied to you, then such unenforceable sentence, clause, paragraph, or combination may be modified by such court to the extent necessary to render it enforceable, and if it cannot be so modified, it shall be severed and the remainder of Sections 13.1, 13.2, 13.3, 13.4 and 20 shall remain in full force and effect.

5. These personal covenants shall be governed by the internal laws of the State of Pennsylvania, unless the law of your jurisdiction applies as provided for in Section 20 of the Development Agreement.

The undersigned hereby execute and deliver this instrument effective as of the Effective Date of the Development Agreement.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Print Name

Date: \_\_\_\_\_, 20\_\_\_\_

Date: \_\_\_\_\_, 20\_\_\_\_

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Signature

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Print Name

Date: \_\_\_\_\_, 20\_\_

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Signature

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Print Name

Date: \_\_\_\_\_, 20\_\_

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Signature

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Print Name

Date: \_\_\_\_\_, 20\_\_

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Signature

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Print Name

Date: \_\_\_\_\_, 20\_\_

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Signature

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Print Name

Date: \_\_\_\_\_, 20\_\_

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Signature

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Print Name

Date: \_\_\_\_\_, 20\_\_

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Signature

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Print Name

Date: \_\_\_\_\_, 20\_\_

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Signature

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Print Name

Date: \_\_\_\_\_, 20\_\_

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Signature

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Print Name

Date: \_\_\_\_\_, 20\_\_

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Signature

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Print Name

Date: \_\_\_\_\_, 20\_\_

Exhibit B

Developer Information

1. Developer's legal organization (circle one): (a) sole proprietorship; (b) partnership; (c) corporation; (d) limited liability company; or (e) other.
2. If Developer is not a sole proprietor, list of **all** its partners, members or shareholders or others holding **any** ownership interest in Developer:

|     | Name and Address        | % interest | Active in Operation<br>of Business?<br>(yes/no) |
|-----|-------------------------|------------|---|
| (a) | _____<br>_____<br>_____ | _____      | _____   |
| (b) | _____<br>_____<br>_____ | _____      | _____   |
| (c) | _____<br>_____<br>_____ | _____      | _____   |
| (d) | _____<br>_____<br>_____ | _____      | _____   |

3. If Developer is not a sole proprietor, list all of its officers, directors, managers and/or general partners:

|     | <u>Name</u> | <u>Title</u> |
|-----|-------------|--------------|
| (a) | _____       | _____        |
| (b) | _____       | _____        |
| (c) | _____       | _____        |
| (d) | _____       | _____        |

[Signature Appears on Following Page]

The undersigned certifies that all information contained in this Exhibit B is accurate and complete, and agrees to notify Franchisor promptly (and in any case within 15 days) upon any change in the information required to be disclosed in this Exhibit B.

DEVELOPER:

If an Individual:

Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_

If other than an Individual: [INSERT ENTITY  
NAME]

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Exhibit C

Guaranty Agreement

(See Attached)

## **GUARANTY AGREEMENT**

In consideration of, and as an inducement to, the execution by GNC Holdings, LLC (“Franchisor”) of that certain GNC Holdings, LLC Development Agreement, dated \_\_\_\_\_, 201\_\_ (as the same from time to time may be amended or modified, the “Development Agreement”), by and between \_\_\_\_\_ (“Developer”) and Franchisor, the undersigned, jointly and severally, for the term of the Development Agreement, and thereafter until all obligations of Developer to Franchisor have been satisfied, do hereby personally, absolutely, and unconditionally guarantee that Developer shall punctually pay and perform each and every undertaking, condition, and covenant set forth in the Development Agreement.

Each of the undersigned further waives acceptance and notice of acceptance of the foregoing obligations of Developer, notice of demand for payment of any indebtedness or for performance of any obligations hereby guaranteed, and any right the undersigned may have to require that an action be brought against Developer or any other person as a condition to the liability of the undersigned.

This Guaranty is a guarantee of payment and performance not merely one of collection. Each of the undersigned further consents and agrees that its liability under this Guaranty shall be direct and immediate and joint and several; that the undersigned shall render any payment or performance required under the Development Agreement upon demand if Developer fails or refuses punctually to do so; that such liability shall not be contingent or conditioned upon the pursuit of any remedies against Developer or any other person; and that such liability shall not be diminished, relieved or otherwise affected by the extension of time, credit or any other indulgence which Franchisor, its affiliates, successors or assigns may, from time to time, grant to Developer or to any other person, including, without limitation, the acceptance of any partial payment or performance, or the compromise or release of any claims, or the release of any one or more of the undersigned hereunder, or the consent to assignment of the Development Agreement or any interest in Developer, none of which shall in any way modify or amend this Guaranty, which shall be continuing and irrevocable throughout the term of the Development Agreement and any extension or renewal thereof and thereafter until all obligations of Developer to Franchisor have been satisfied.

Until all obligations of Developer to Franchisor have been satisfied, the obligations of the undersigned under this Guaranty shall remain in full force and effect without regard to, and shall not be released, discharged or in any way modified or affected by, any circumstance or condition (whether or not the undersigned shall have any knowledge or notice thereof), including, without limitation, any bankruptcy, insolvency, reorganization, composition, liquidation or similar proceeding, with respect to Developer or its properties or creditors, or any action taken by any trustee or receiver or by any court in any such proceeding. Each of the undersigned specifically waives any rights that may be conferred upon the undersigned as a guarantor or surety under the applicable law of any state. The remedies provided herein shall be nonexclusive and cumulative of all other rights, powers and remedies provided under the Development Agreement or by law or in equity.

The undersigned hereby agree that without the consent of or notice to any of the undersigned and without affecting any of the obligations of the undersigned hereunder, any term, covenant or condition of the Development Agreement may be amended, compromised, released or otherwise altered by Franchisor and the Developer and the undersigned do guarantee and promise to perform all of the obligations of the Developer under the Development Agreement as so amended, compromised, released or altered.

Upon notice from Franchisor that Developer has failed to pay monies due and owing to Franchisor under the Development Agreement, any and each of the undersigned agree to cure the monetary default within five business days from such notice.

Upon the death of an undersigned, the estate of such undersigned shall be bound by this Guaranty but only for defaults and obligations hereunder existing at the time of death. The obligations of the surviving undersigned shall continue in full force and effect.

The undersigned expressly acknowledge that the obligations hereunder survive the termination of the Development Agreement.

Franchisor's failure to enforce all or any portion of its rights under this Guaranty shall not constitute a waiver of its ability to do so at any point in the future.

No delay or failure of Franchisor in the exercise of any right, power, or remedy shall operate as a waiver thereof, and no partial exercise by Franchisor shall preclude any further exercise thereof or the exercise of any other right, power or remedy.

This Guaranty shall be governed by and construed in accordance with the internal laws of the State of Pennsylvania without recourse to Pennsylvania (or any other) choice of law or conflicts of law principles. If, however, any provision of this Guaranty would not be enforceable under the laws of Pennsylvania, and if the business franchised under the Development Agreement is located outside of Pennsylvania and the provision would be enforceable under the laws of the state in which the franchised business is located, then the provision (and only that provision) will be interpreted and construed under the laws of that state. Nothing in this Guaranty is intended to invoke the application of any franchise, business opportunity, antitrust, "implied covenant", unfair competition, fiduciary or other doctrine of law of the State of Pennsylvania or any other state, which would not otherwise apply. Any litigation initiated under this Guaranty shall be instituted exclusively at Franchisor's discretion in the most immediate state judicial district and court encompassing Franchisor's headquarters and having subject matter jurisdiction thereof or the United States District Court encompassing Franchisor's headquarters. Each of the undersigned expressly agree that the undersigned is subject to the jurisdiction and venue of those courts for purposes of such litigation. Each of the undersigned hereby waive and covenant never to assert any claim that the undersigned is not subject to personal jurisdiction in those courts or that venue in those courts is for any reason improper, inconvenient, prejudicial or otherwise inappropriate (including, without limitation, any claim under the judicial doctrine of forum non conveniens).

If Franchisor chooses to proceed against the undersigned under this Guaranty, and

Franchisor prevails, the undersigned shall reimburse Franchisor its costs and expenses associated with the proceeding, including its reasonable attorneys' fees, court costs and expenses.

IN WITNESS WHEREOF, each of the undersigned has hereunto affixed its signature this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

GUARANTORS

Agreed:

GNC HOLDINGS, LLC

\_\_\_\_\_(SEAL)  
Signature

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_

Address: \_\_\_\_\_  
\_\_\_\_\_  
Social Security No.: \_\_\_\_\_

\_\_\_\_\_(SEAL)  
Signature

Address: \_\_\_\_\_  
\_\_\_\_\_  
Social Security No.: \_\_\_\_\_

\_\_\_\_\_(SEAL)  
Signature

Address: \_\_\_\_\_  
\_\_\_\_\_  
Social Security No.: \_\_\_\_\_

\_\_\_\_\_(SEAL)  
Signature

Address: \_\_\_\_\_  
\_\_\_\_\_  
Social Security No.: \_\_\_\_\_

Exhibit D

State Addenda to Development Agreement

(See Attached)

**STATE OF CALIFORNIA  
ADDENDUM TO AREA DEVELOPMENT AGREEMENT**

In recognition of the requirements of the California Franchise Investment Law (§§ 31000, et seq., of the California Corporations Code), the parties to the attached GNC HOLDINGS, LLC AREA DEVELOPMENT AGREEMENT (the “Agreement”) agree as follows:

1. Section ~~13.2. of the Agreement is hereby deleted in its entirety.~~
- ~~2.~~ ~~Section~~ 30 of the Agreement, titled “Acknowledgments,” is hereby deleted in its entirety.
- ~~2.~~ No statement, questionnaire, or acknowledgment signed by Developer 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 by Franchisor, any franchise seller, or other person acting on behalf of Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.
- ~~43.~~ Each provision of this Addendum will be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the California Franchise Investment Law are met independently without reference to this Addendum.
- ~~54.~~ Except as otherwise provided in this Addendum, all the other terms, covenants and agreements in the Agreement shall remain the same, and the Agreement, as amended, shall continue in full force and effect. To the extent this Addendum is inconsistent with any terms or conditions of the Agreement or the Attachments thereto, the terms of this Addendum shall govern.

[Signature Page Follows]

IN WITNESS WHEREOF, Franchisor and Developer have executed this Addendum as of the date of the Agreement.

GNC HOLDINGS, LLC

Franchisor

By: \_\_\_\_\_

Franchisor Address:

GNC Holdings, LLC  
75 Hopper Place, Suite 501  
Pittsburgh, Pennsylvania 15222  
Attention: General Counsel

\_\_\_\_\_  
Developer (Entity)

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Developer Address:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**STATE OF HAWAII  
ADDENDUM TO AREA DEVELOPMENT AGREEMENT**

In recognition of the requirements of the Hawaii Franchise Investment Law, Hawaii Rev. Stat. §§ 482E, et seq., the parties to the attached GNC HOLDINGS, LLC AREA DEVELOPMENT AGREEMENT (the “Agreement”) agree as follows:

1. Section 11.3(iii) of the Agreement contains a provision requiring a general release as a condition of transfer of the Agreement. Such release will exclude claims arising under the Hawaii Franchise Investment Law.
2. Sections 11 and 12 as they relate to transfer and termination are applicable to the extent they are not inconsistent with the Hawaii Franchise Investment Law. Otherwise, the Hawaii Franchise Investment Law will control.
3. No statement, questionnaire, or acknowledgment signed by Developer 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 by Franchisor, any franchise seller, or other person acting on behalf of Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.
4. Each provision of this Addendum will be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Hawaii Franchise Investment Law are met independently without reference to this Addendum.
5. Except as otherwise provided in this Addendum, all the other terms, covenants and agreements in the Agreement shall remain the same, and the Agreement, as amended, shall continue in full force and effect. To the extent this Addendum is inconsistent with any terms or conditions of the Agreement or the exhibits thereto, the terms of this Addendum shall govern.

[Signature Page Follows]

IN WITNESS WHEREOF, Franchisor and Developer have executed this Addendum as of the date of the Agreement.

GNC HOLDINGS, LLC  
Franchisor

By: \_\_\_\_\_

Franchisor Address:

GNC Holdings, LLC  
75 Hopper Place, Suite 501  
Pittsburgh, Pennsylvania 15222  
Attention: General Counsel

\_\_\_\_\_  
Developer (Entity)

By: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Title: \_\_\_\_\_

By: \_\_\_\_\_  
Print Name: \_\_\_\_\_

By: \_\_\_\_\_  
Print Name: \_\_\_\_\_

Developer Address:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**STATE OF ILLINOIS  
ADDENDUM TO AREA DEVELOPMENT AGREEMENT**

In recognition of the requirements of the Illinois Franchise Disclosure Act of 1987, Ill. Comp. Stat., Chapter 815, §§ 705/1 through 705/44 (the “Act”), the parties to the attached GNC HOLDINGS, LLC AREA DEVELOPMENT AGREEMENT (the “Agreement”) agree as follows:

1. Illinois law governs the Agreement.
2. Section 11.3(iii) of the Agreement contains a provision requiring a general release as a condition of transfer of the Agreement. Such release will exclude claims arising under the Act.
3. Section 12 of the Agreement as it relates to termination is only applicable to the extent it is not inconsistent with the Act. In the event of any inconsistency, the Act will control. Franchisee’s rights upon termination and non-renewal are set forth in sections 19 and 20 of the Act.
4. Franchisor and Developer acknowledge, and reference is hereby made to, Sections 705/4 and 705/41 of the Act, which provide as follows:

Sec. 4. Jurisdiction and Venue. Any provision in a franchise agreement that designates jurisdiction or venue in a forum outside of the State of Illinois is void, provided that a franchise agreement may provide for arbitration in a forum outside of the State of Illinois.

Sec. 41. Waivers Void. Any condition, stipulation, or provision purporting to bind any person acquiring any franchise to waive compliance with any provision of this Act or any other law of this State is void. This Section shall not prevent any person from entering into a settlement agreement or executing a general release regarding a potential or actual lawsuit filed under any of the provisions of this Act, nor shall it prevent the arbitration of any claim pursuant to the provisions of Title 9 of the United States Code.

5. No statement, questionnaire, or acknowledgment signed by Developer 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 by Franchisor, any franchise seller, or other person acting on behalf of Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.
6. Section 30 of the Agreement, titled “Acknowledgments,” is hereby deleted in its entirety.
7. Each provision of this Addendum shall be effective only to the extent, with respect to each such provision, that the jurisdictional requirements of the Illinois Franchise Disclosure Act are met independently without reference to this Addendum.

8. Except as otherwise provided in this Addendum, all the other terms, covenants and agreements in the Agreement shall remain the same, and the Agreement, as amended, shall continue in full force and effect. To the extent this Addendum is inconsistent with any terms or conditions of the Agreement or the exhibits thereto, the terms of this Addendum shall govern.

IN WITNESS WHEREOF, Franchisor and Developer have executed this Addendum as of the date of the Agreement.

GNC HOLDINGS, LLC

Franchisor

By: \_\_\_\_\_

Franchisor Address:

GNC Holdings, LLC  
75 Hopper Place, Suite 501  
Pittsburgh, Pennsylvania 15222  
Attention: General Counsel

\_\_\_\_\_  
Developer (Entity)

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Developer Address:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**STATE OF INDIANA  
ADDENDUM TO AREA DEVELOPMENT AGREEMENT**

In recognition of the requirements of the Indiana Deceptive Franchise Practices Law, Indiana Code §§ 23-2-2.7-1 through 23-2-2.7-10, and the Indiana Franchise Disclosure Law, Indiana Code §§ 23-2-2-2.5-1 through 23-2-2-2.5-51, the parties to the attached GNC HOLDINGS, LLC AREA DEVELOPMENT AGREEMENT (the “Agreement”) agree as follows:

1. If any of the provisions of the Agreement concerning termination, governing law, venue for litigation or arbitration, modification, covenants not to compete or any limitations period on the time in which claims may be brought are inconsistent with either the Indiana Deceptive Franchise Practices Law or the Indiana Franchise Disclosure Law, then such laws will apply to the extent inconsistent with the terms of the Agreement.
2. Section 11.3(iii) of the Agreement contains a provision requiring a general release as a condition to transfer of the Agreement. Such provision will not apply to the extent inconsistent with the Indiana Deceptive Franchise Practices Law, IC § 23-2-2.7-1(5).
3. No representation or acknowledgment by the Developer in the Agreement is intended to or shall act as a release, assignment, novation, waiver or estoppel to deprive the Developer of the rights and protections provided in the Indiana Franchise Disclosure Law or to relieve any person of any liability under the Indiana Deceptive Franchise Practices Law.
4. No statement, questionnaire, or acknowledgment signed by Developer 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 by Franchisor, any franchise seller, or other person acting on behalf of Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.
5. Each of the provisions of this Addendum will be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Indiana Franchise Disclosure Law and the Indiana Deceptive Franchise Practices Act are met independently without reference to this Addendum.
6. Except as otherwise provided in this Addendum, all the other terms, covenants and agreements in the Agreement shall remain the same, and the Agreement, as amended, shall continue in full force and effect. To the extent this Addendum is inconsistent with any terms or conditions of the Agreement or the exhibits thereto, the terms of this Addendum shall govern.

[Signature Page Follows]

IN WITNESS WHEREOF, Franchisor and Developer have executed this Addendum as of the date of the Agreement.

GNC HOLDINGS, LLC

Franchisor

By: \_\_\_\_\_

Franchisor Address:

GNC Holdings, LLC  
75 Hopper Place, Suite 501  
Pittsburgh, Pennsylvania 15222  
Attention: General Counsel

\_\_\_\_\_  
Developer (Entity)

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Developer Address:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**STATE OF MARYLAND  
ADDENDUM TO AREA DEVELOPMENT AGREEMENT**

In recognition of the requirements of the Maryland Franchise Registration and Disclosure Law, Md. Code Bus. Reg. §§ 14-201 through 14-233, the parties to the attached GNC HOLDINGS, LLC AREA DEVELOPMENT AGREEMENT (the “Agreement”) agree as follows:

1. The general release language required as a condition of assignment or transfer shall apply except for claims arising under the Maryland Franchise Registration and Disclosure Law. A copy of the form of general release required by Section 11.3(iii) is attached hereto as Schedule A.
2. Although under certain circumstances the Agreement requires Developer to submit to a court proceeding or arbitration in the state where Franchisor’s principal place of business is located, Franchisor agrees that litigation claims brought under the Maryland Franchise Registration and Disclosure Law may be brought in any court of competent jurisdiction in the State of Maryland.
3. Any claims arising under the Maryland Franchise Registration and Disclosure Law may be brought within three (3) years after the grant of the franchise.
4. No representation or acknowledgment by the Franchisee in the Agreement is intended to or shall act as a release, assignment, novation, waiver or estoppel to relieve any person of any liability incurred under the Maryland Franchise Registration and Disclosure Law.
5. The Agreement provides that disputes are resolved through arbitration. A Maryland franchise regulation states that it is an unfair or deceptive practice to require a franchisee to waive its right to file a lawsuit in Maryland claiming a violation of the Maryland Franchise Registration and Disclosure Law. In light of the Federal Arbitration Act, there is some dispute as to whether this forum selection requirement is legally enforceable.
6. Franchisor agrees to defer payment of the Development Fee (and other initial payments that would be considered franchise fees under the Maryland Franchise Registration and Disclosure Law) by Developer to Franchisor or its Affiliates until Franchisor has met all of its pre-opening obligations with respect to Developer’s first Store and Developer has opened its first Store. At such time that Franchisor has met all of its pre-opening obligations with respect to Developer’s first Store and Developer has opened its first Store, all deferred fees and payments shall be immediately due and payable by Developer to Franchisor. The Maryland Attorney General’s Office imposed this deferral requirement.
7. Section 30 of the Agreement, titled “Acknowledgments,” is hereby deleted in its entirety.
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. Each provision of this Agreement will be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Maryland Franchise Registration and Disclosure Law are met independently without reference to this Addendum.
10. Except as otherwise provided in this Addendum, all the other terms, covenants and agreements in the Agreement shall remain the same, and the Agreement, as amended, shall continue in full force and effect. To the extent this Addendum is inconsistent with any terms or conditions of the Agreement or the exhibits thereto, the terms of this Addendum shall govern.

[Signature Page Follows]

IN WITNESS WHEREOF, Franchisor and Developer have executed this Addendum as of the date of the Agreement.

GNC HOLDINGS, LLC  
Franchisor

By: \_\_\_\_\_

Franchisor Address:

GNC Holdings, LLC  
75 Hopper Place, Suite 501  
Pittsburgh, Pennsylvania 15222  
Attention: General Counsel

\_\_\_\_\_  
Developer (Entity)

By: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Title: \_\_\_\_\_

By: \_\_\_\_\_  
Print Name: \_\_\_\_\_

By: \_\_\_\_\_  
Print Name: \_\_\_\_\_

Developer Address:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

## SCHEDULE A

The following is our current form of general release ~~form that we expect to include in a release that a developer and/or transferor may sign as part of an approved transfer.~~ We may, in our sole discretion, periodically modify the release.

### GENERAL RELEASE

—For and in consideration of the Area Development Agreement dated \_\_\_\_\_, <AgmtDate> (the “Development Agreement”), between the undersigned and GNC Holdings, LLC (“Franchisor”), and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the undersigned, individually and each of for themselves, their ~~respective corporate~~ parents, subsidiaries, affiliates, ~~successors in interest, heirs and assigns, and each of their respective~~ shareholders, members, managers, partners, directors, officers, agents, servants, ~~and~~ employees, ~~as applicable~~ representatives, administrators, heirs, successors and assigns, whether specifically mentioned herein or not, including, without limitation, any entity or enterprise in which the undersigned, directly or indirectly, owns an equity or profits interest or controls (the “Releasing Parties” and, individually, a “Releasing Party”), do each hereby forever release, acquit ~~remise,~~ and forever discharge Franchisor ~~and each of,~~ its respective predecessors, successors and assigns, parents, subsidiaries, ~~affiliates,~~ and ~~successors in interest~~ affiliated entities, and each of their respective managers, members, shareholders, directors, officers, employees, agents, servants, ~~employees and representatives, past and present,~~ and all other persons acting by, through, under or in concert with any of them and whether specifically mentioned herein or not (the “Released Parties” and, individually, a “Released Party”), of and from any and all liability claims, demands, actions, causes of action, claim suits, disputes, debts, ~~demands, dues, duties, sums of money, accounts, reckonings, covenants, contracts, agreements, promises,~~ damages, ~~and liabilities to person(s) or property judgments, extents, executions,~~ costs, expenses, ~~(including, without limitation court costs and attorneys’ fees) and compensation~~ liabilities and obligations, of every nature, kind and character whatsoever, whether known or unknown, foreseen or unforeseen, suspected or unsuspected, direct, indirect, contingent or actual, liquidated or unliquidated, whether in contract or in tort (~~“(collectively, “Claims”)~~ which the Releasing Parties or any one of them ever had, now have, ~~own, hold or claim to which they hereafter can, shall, or may~~ have, ~~own or hold or at any time heretofore had, owned or held,~~ against the Released Parties or any of them, ~~now for, upon, or at by reason of,~~ any time awarded to the undersigned and matter, cause or thing whatsoever from the ~~inception of any contact with any Released Party~~ beginning of the world to the date of this General Release.

Without limiting the generality of the foregoing, but by way of example only, the foregoing release shall apply to any and all state or federal antitrust claims or causes of action; state or federal securities law claims or causes of action; state or federal RICO claims or causes of action; breach of contract claims or causes of action; claims or causes of action based on misrepresentation or fraud; breach of fiduciary duty; unfair trade practices (state or federal); and all other claims and causes of action whatsoever.

The undersigned (and each of them) further agree for themselves and for their successors and assigns, to indemnify and hold harmless forever, the Released Parties, against any and all

claims or actions which hereafter may be brought or instituted against any or all of them, or their successors and assigns, by or on behalf of anyone claiming under rights derived from the undersigned, or any of them, and arising out of or incidental to the matters to which this General Release applies.

The undersigned agree that this General Release is not intended nor shall it be construed as an admission of any wrongdoing or liability and that it shall not be admissible in evidence in any suit or proceeding whatsoever as evidence or admission of any liability.

Any individual who signs this General Release in a representative capacity for a corporation, limited liability company or other entity that is a party to this General Release hereby represents and warrants that he or she is duly authorized by action of such corporation, limited liability company or other entity to execute this release on its behalf.

With respect to the matters hereinabove released, the undersigned knowingly waive all rights and protection, if any, under Section 1542 of the California Civil Code, or under any similar law of any state or territory of the United States of America. Section 1542 provides as follows:

General Release: Extent. A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release, and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party.

The undersigned acknowledges there is a risk that, after the ~~date hereof~~execution of this General Release, the undersigned will discover, incur, or suffer claims which are unknown or unanticipated at the time of execution of this General Release and which, if known by the undersigned ~~on~~at the date hereof~~time of execution~~, may have materially affected the undersigned's decision to execute this General Release. Nevertheless, the undersigned agrees that the undersigned intends to assume, and is assuming, the risk of such unknown or unanticipated Claims, and that the Releasing Parties' release of the Released Parties set forth in this General Release shall apply to any and all such Claims. Neither the undersigned nor any other Releasing Party has assigned, transferred or purported to assign or transfer to any other person or entity any of the Claims or any portion thereof or interest therein and agrees to indemnify, defend and hold the Released Parties harmless from and against any and all Claims based on or arising out of any such assignment or transfer or purported assignment or transfer.

~~The undersigned represents and warrants that it intends to be legally bound by this General Release, that the execution of this General Release is free and voluntary, that no inducements, threats, presentations, or influences of any kind were made or exerted by or on behalf of Franchisor, and that, prior to the execution hereof, the undersigned was given the opportunity, if desired, to consult with counsel.~~ This General Release shall be binding upon the undersigned, and the other Releasing Parties, and their heirs, successors and legal representatives. This General Release excludes Claims arising from any representations in the Franchisor's Franchise Disclosure Document, or its exhibits or amendments, provided by Franchisor to the undersigned in connection with the Development Agreement. This General Release is not intended as a waiver of

those rights of the undersigned which cannot be waived under applicable state franchise laws nor is it intended to release any Released Party from ~~any~~ liability, if any, imposed by the Maryland Franchise Registration and Disclosure Law. This General Release shall be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania without regard to its conflicts of law provisions.

**It is the express intention of the undersigned and Franchisor that this General Release be as broad as permitted by law.**

\_\_\_\_\_

IN WITNESS WHEREOF, the undersigned have duly executed and delivered this General Release as of this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_. **«LongDate».**

WITNESS: \_\_\_\_\_

\_\_\_\_\_ ENTITY:

\_\_\_\_\_ «Entity»  
\_\_\_\_\_ Franchisee

\_\_\_\_\_ By: \_\_\_\_\_  
\_\_\_\_\_ «Fran1»  
\_\_\_\_\_ «Title1»

\_\_\_\_\_ By: \_\_\_\_\_  
\_\_\_\_\_ «Fran2»  
\_\_\_\_\_ «Title2»

\_\_\_\_\_ INDIVIDUAL(S):

\_\_\_\_\_ Signature: \_\_\_\_\_  
\_\_\_\_\_ «Fran1», individually

\_\_\_\_\_ Signature: \_\_\_\_\_  
\_\_\_\_\_ «Fran2», individually

By: \_\_\_\_\_  
Print Name: \_\_\_\_\_

By: \_\_\_\_\_  
Print Name: \_\_\_\_\_

**STATE OF MINNESOTA  
ADDENDUM TO AREA DEVELOPMENT AGREEMENT**

This Addendum to the attached GNC HOLDINGS, LLC AREA DEVELOPMENT AGREEMENT (the “Agreement”) is made and entered into by Franchisor and Developer.

1. This Addendum is made a part of the Agreement to which it is attached.
2. Section 11.3(iii) of the Agreement contains a provision requiring a general release as a condition of transfer of the Agreement. Such release will exclude claims arising under Minnesota Statutes 80C.01 through 80C.22.
3. Section 12 of the Agreement is hereby amended by adding the following:  
  
“With respect to franchises governed by Minnesota law, Franchisor will comply with Minn. Stat. Sec. 80C.14, Subd. 3, which requires, except in certain specified cases, that a franchisee be given ninety (90) days notice of termination (with sixty (60) days to cure), but only to the extent it applies to this Agreement.”
4. Section 20 of the Agreement is hereby amended by adding the following:  
  
“Pursuant to Minn. Stat. Sec. 80C.21 and Minnesota Rule 2860.4400J, nothing in this paragraph or in this Agreement shall in any way abrogate or reduce (1) any rights of the Developer as provided for in Minnesota Statutes, Chapter 80C, including, but not limited to, the right to submit matters to the jurisdiction of the courts of Minnesota, or (2) Developer’s rights to any procedure, forum or remedies provided for by the laws of the jurisdiction.”
5. No representation or acknowledgment by Developer in the Agreement is intended to or shall act as a release, assignment, novation or waiver that would relieve any person from liability under Minnesota Statutes 80C.01 through 80C.22.
6. Minnesota Statutes, Section 80C.14, Subd. 5, requires that consent to the transfer of the Business will not be unreasonably withheld. The Sections in the Agreement that relate to transfer are applicable to the extent they are not inconsistent with Minnesota law. In the event of any inconsistency, Minnesota law will control.
7. Minnesota Rule 2860.4400J prohibits Franchisor from requiring a franchisee to waive its rights to a jury trial. Section 20.5(i) of the Agreement that relates to waiver of jury trial shall not apply to the extent this provision is governed by Minnesota law.
8. Franchisor acknowledges that Minnesota Rule 2860.4400J provides that a franchisee cannot consent to a franchisor obtaining injunctive relief, but that a franchisor may seek injunctive relief, and that a court will determine if a bond is required.

9. Franchisor acknowledges that no action may be commenced pursuant to Minnesota Statutes, Section 80C.17, Subd. 5, more than 3 years after the cause of action accrues.
10. No statement, questionnaire, or acknowledgment signed by Developer 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 by Franchisor, any franchise seller, or other person acting on behalf of Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.
11. Each provision of this Addendum will be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Minnesota Franchises Law (Minnesota Statutes, Chapter 80C, Sections 80C.01 through 80C.22) are met independently without reference to this Addendum.
12. Except as otherwise provided in this Addendum, all the other terms, covenants and agreements in the Agreement shall remain the same, and the Agreement, as amended, shall continue in full force and effect. To the extent this Addendum is inconsistent with any terms or conditions of the Agreement or the exhibits thereto, the terms of this Addendum shall govern.

[Signature Page Follows]

IN WITNESS WHEREOF, Franchisor and Developer have executed this Addendum as of the date of the Agreement.

GNC HOLDINGS, LLC  
Franchisor

By: \_\_\_\_\_

Franchisor Address:

GNC Holdings, LLC  
75 Hopper Place, Suite 501  
Pittsburgh, Pennsylvania 15222  
Attention: General Counsel

\_\_\_\_\_  
Developer (Entity)

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Developer Address:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**STATE OF NEW YORK  
ADDENDUM TO AREA DEVELOPMENT AGREEMENT**

In recognition of the requirements of the New York General Business Law, Article 33, the parties to the attached GNC HOLDINGS, LLC AREA DEVELOPMENT AGREEMENT (the “Agreement”) agree as follows:

1. Section 11, “TRANSFERS,” Paragraph 11.1, of the Agreement shall be supplemented with the following:

No assignment shall be made except to an assignee, who, in the good faith judgment of Franchisor, is willing and possesses the economic resources to fulfill Franchisor’s obligations under such Agreement.

2. Section 11.3(iii) of the Agreement contains a provision requiring a general release as a condition of transfer of the Agreement. Such release will exclude claims arising under the General Business Law of New York State, Article 33, Sections 680 through 695, and the regulations issued thereunder.

3. Section 20, “APPLICABLE LAW,” Paragraph 20.1, of the Agreement shall be deleted in its entirety and shall have no force or effect and the following shall be substituted in lieu thereof:

20.1. Governing Law. This Agreement takes effect upon its acceptance and execution by Franchisor, and shall be interpreted and construed under the laws of the Commonwealth of Pennsylvania, which laws shall prevail in the event of any conflict of law; provided, however, that if any provision of this Agreement would not be enforceable under the laws of Pennsylvania and if the Business is located outside of Pennsylvania, and further, if such provision would be enforceable under the laws of the state in which the Business is located, then such provision shall be interpreted and construed under the laws of that state. The foregoing choice of law should not be considered a waiver of any right conferred upon Developer by the General Business Law of New York State, Article 33.

4. Section 20, “APPLICABLE LAW,” of the Agreement shall be supplemented with the following paragraph:

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

5. Section 22, “SEVERABILITY,” of the Agreement shall be deleted in its entirety and shall have no force or effect and the following shall be substituted in lieu thereof:

22. **SEVERABILITY.** Except as expressly provided to the contrary herein, each section, part, term, and/or provision of this Agreement shall be considered severable; and if, for any reason, determined to be invalid and contrary to, or in conflict with, any existing or future law or regulation by a court or agency having valid jurisdiction, such

shall not impair the operation of provisions of this Agreement as may remain otherwise intelligible; and, the latter shall continue to be given full force and effect and bind the parties hereto; and said invalid sections, parts, terms, and/or provisions shall be deemed not to be a part of this Agreement.

6. Section 23, "RELATIONSHIP OF THE PARTIES; INDEMNIFICATION," of the Agreement shall be supplemented with the following:

However, Developer shall not be required to indemnify for any claims arising out of a breach of the Agreement by the Franchisor or other civil wrongs of the Franchisor.

7. No representation or acknowledgment by the Developer in the Agreement is intended to or shall act as a release, assignment, novation, waiver or estoppel which would relieve a person from any duty or liability imposed by Article 33, Sections 680 through 695, of the General Business Law of the State of New York and the regulations issued thereunder.
8. No statement, questionnaire, or acknowledgment signed by Developer 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 by Franchisor, any franchise seller, or other person acting on behalf of Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.
9. Each provision of this Addendum will be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the New York General Business Law, Article 33, are met independently without reference to this Addendum.
10. Except as otherwise provided in this Addendum, all the other terms, covenants and agreements in the Agreement shall remain the same, and the Agreement, as amended, shall continue in full force and effect. To the extent this Addendum is inconsistent with any terms or conditions of the Agreement or the exhibits thereto, the terms of this Addendum shall govern.

[Signature Page Follows]

IN WITNESS WHEREOF, Franchisor and Developer have executed this Addendum as of the date of the Agreement.

GNC HOLDINGS, LLC  
Franchisor

By: \_\_\_\_\_

Franchisor Address:

GNC Holdings, LLC  
75 Hopper Place, Suite 501  
Pittsburgh, Pennsylvania 15222  
Attention: General Counsel

\_\_\_\_\_  
Developer (Entity)

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Developer Address:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**STATE OF NORTH DAKOTA  
ADDENDUM TO AREA DEVELOPMENT AGREEMENT**

In recognition of the requirements of the North Dakota Franchise Investment Law, North Dakota Century Code §§ 51-19-01 through 51-19-17, and the rules and regulations thereunder, the parties to the attached GNC HOLDINGS, LLC AREA DEVELOPMENT AGREEMENT (the “Agreement”) agree as follows:

1. Section 13 of the Agreement contains covenants restricting competition. These covenants will be subject to Section 9-08-06, N.D.C.C.
2. Section 20.1 of the Agreement contains a provision requiring that the Agreement be governed by Pennsylvania law. Franchisor agrees that North Dakota law will govern the Agreement and will prevail in the event of any conflict of law.
3. Section 20.2. of the Agreement contains a provision requiring that arbitration be conducted in Pittsburgh, Pennsylvania. Franchisor agrees that the place of arbitration will be a location that is in close proximity to the site of the Business.
4. Section 20.4 of the Agreement contains a provision requiring that certain litigation must be instituted in a court within the Commonwealth of Pennsylvania in the judicial district in which Franchisor has its principal place of business. Franchisor agrees that jurisdiction and venue for litigation claims brought under the Agreement and the North Dakota Franchise Investment Law may be in the State of North Dakota.
5. Section 20.5 of the Agreement that relates to waiver of jury trial shall not apply to franchises governed by North Dakota law.
6. To the extent any provision of the Agreement requires Developer to consent to a waiver of exemplary or punitive damages, these provisions will be deemed null and void.
7. The Sections in the Agreement that relate to limitations of claims and payment of costs and expenses of enforcement of the Agreement are only applicable to the extent they are not inconsistent with North Dakota law. In the event of any inconsistency, North Dakota law will control. The statute of limitations under North Dakota law applies.
8. No statement, questionnaire, or acknowledgment signed by Developer 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 by Franchisor, any franchise seller, or other person acting on behalf of Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.
9. Each provision of this Addendum will be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the North Dakota Franchise Investment Law are met independently without reference to this Addendum.

10. Except as otherwise provided in this Addendum, all the other terms, covenants and agreements in the Agreement shall remain the same, and the Agreement, as amended, shall continue in full force and effect. To the extent this Addendum is inconsistent with any terms or conditions of the Agreement or the exhibits thereto, the terms of this Addendum shall govern.

[Signature Page Follows]

IN WITNESS WHEREOF, Franchisor and Developer have executed this Addendum as of the date of the Agreement.

GNC HOLDINGS, LLC

Franchisor

By: \_\_\_\_\_

Franchisor Address:

GNC Holdings, LLC  
75 Hopper Place, Suite 501  
Pittsburgh, Pennsylvania 15222  
Attention: General Counsel

\_\_\_\_\_  
Developer (Entity)

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Developer Address:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**STATE OF RHODE ISLAND  
ADDENDUM TO AREA DEVELOPMENT AGREEMENT**

In recognition of the requirements of the Rhode Island Franchise Investment Act, §§ 19-28.1-1 through 19-28.1-34, the parties to the attached GNC HOLDINGS, LLC AREA DEVELOPMENT AGREEMENT (the “Agreement”) agree as follows:

1. Section 11.3(iii) of the Agreement contains a provision requiring a general release as a condition of transfer of the Agreement. Such release will exclude claims arising under the Rhode Island Franchise Investment Act.
2. § 19-28.1-14 of the Rhode Island Franchise Investment Act provides that “a provision in a franchise agreement restricting jurisdiction or venue to a forum outside this state or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under this Act.” To the extent that the provisions of Section 20.1 or 20.4 conflict with the Rhode Island Franchise Investment Act, such provisions are void under § 19-28.1-14 with respect to a claim otherwise enforceable under the Rhode Island Franchise Investment Act.
3. Section 19-28.1-15 of the Rhode Island Franchise Investment Act provides that “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 this Act or a rule or order under this 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 this Act or a rule or order under this Act.” If the Developer is required in the Agreement to execute a release of claims or to acknowledge facts that would negate or remove from judicial review any statement, misrepresentation or action that would violate the Act, or a rule or order under the Act, such release shall exclude claims arising under the Rhode Island Franchise Investment Act, and such acknowledgments shall be void with respect to claims under the Act.
4. Section 30 of the Agreement, titled “Acknowledgments,” is hereby deleted in its entirety.
5. No statement, questionnaire, or acknowledgment signed by Developer 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 by Franchisor, any franchise seller, or other person acting on behalf of Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.
6. Each provision of this Addendum will be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Rhode Island Franchise Investment Act are met independently without reference to this Addendum.

7. Except as otherwise provided in this Addendum, all the other terms, covenants and agreements in the Agreement shall remain the same, and the Agreement, as amended, shall continue in full force and effect. To the extent this Addendum is inconsistent with any terms or conditions of the Agreement or the exhibits thereto, the terms of this Addendum shall govern.

IN WITNESS WHEREOF, Franchisor and Developer have executed this Addendum as of the date of the Agreement.

GNC HOLDINGS, LLC

Franchisor

By: \_\_\_\_\_

Franchisor Address:

GNC Holdings, LLC  
75 Hopper Place, Suite 501  
Pittsburgh, Pennsylvania 15222  
Attention: General Counsel

\_\_\_\_\_  
Developer (Entity)

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Developer Address:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**STATE OF SOUTH DAKOTA  
ADDENDUM TO AREA DEVELOPMENT AGREEMENT**

In recognition of the requirements of the South Dakota Franchise Investment law (SDCL 37-5B), the parties to the attached GNC HOLDINGS, LLC AREA DEVELOPMENT AGREEMENT (the “Agreement”) agree as follows:

1. Section 29, “DEVELOPER’S ACKNOWLEDGMENTS,” of the Agreement shall be supplemented by the following paragraph:

Pursuant to SDCL 37-5B-21, 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 the Franchise Investment chapter (SDCL 37-5B) or a rule or order under the Franchise Investment chapter is void.

2. No statement, questionnaire, or acknowledgment signed by Developer 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 by Franchisor, any franchise seller, or other person acting on behalf of Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.
3. Each provision of this Addendum will be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the South Dakota Franchise Investment law are met independently without reference to this Addendum.
4. Except as otherwise provided in this Addendum, all the other terms, covenants and agreements in the Agreement shall remain the same, and the Agreement, as amended, shall continue in full force and effect. To the extent this Addendum is inconsistent with any terms or conditions of the Agreement or the exhibits thereto, the terms of this Addendum shall govern.

[Signature Page Follows]

IN WITNESS WHEREOF, Franchisor and Developer have executed this Addendum as of the date of the Agreement.

GNC HOLDINGS, LLC  
Franchisor

By: \_\_\_\_\_

Franchisor Address:

GNC Holdings, LLC  
75 Hopper Place, Suite 501  
Pittsburgh, Pennsylvania 15222  
Attention: General Counsel

\_\_\_\_\_  
Developer (Entity)

By: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Title: \_\_\_\_\_

By: \_\_\_\_\_  
Print Name: \_\_\_\_\_

By: \_\_\_\_\_  
Print Name: \_\_\_\_\_

Developer Address:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**STATE OF VIRGINIA  
ADDENDUM TO AREA DEVELOPMENT AGREEMENT**

In recognition of the requirements of the Virginia Retail Franchising Act, the parties to the attached GNC HOLDINGS, LLC AREA DEVELOPMENT AGREEMENT (the “Agreement”) agree as follows:

1. Section 30 of the Agreement, titled “Acknowledgments,” is hereby deleted in its entirety.
2. No statement, questionnaire, or acknowledgment signed or agreed to by Developer 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 Franchisor, any franchise seller, or other person acting on behalf of Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.
3. Each provision of this Addendum will be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Virginia Retail Franchising Act are met independently without reference to this Addendum.
4. Except as otherwise provided in this Addendum, all the other terms, covenants and agreements in the Agreement shall remain the same, and the Agreement, as amended, shall continue in full force and effect. To the extent this Addendum is inconsistent with any terms or conditions of the Agreement or the Attachments thereto, the terms of this Addendum shall govern.

[Signature Page Follows]

IN WITNESS WHEREOF, Franchisor and Developer have executed this Addendum as of the date of the Agreement.

GNC HOLDINGS, LLC  
Franchisor

By: \_\_\_\_\_

Franchisor Address:

GNC Holdings, LLC  
75 Hopper Place, Suite 501  
Pittsburgh, Pennsylvania 15222  
Attention: General Counsel

\_\_\_\_\_  
Developer (Entity)

By: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Title: \_\_\_\_\_

By: \_\_\_\_\_  
Print Name: \_\_\_\_\_

By: \_\_\_\_\_  
Print Name: \_\_\_\_\_

Franchisee Address:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**STATE OF WASHINGTON  
ADDENDUM TO AREA DEVELOPMENT AGREEMENT**

In recognition of the requirements of the Washington Franchise Investment Protection Act, Wash. Rev. Code §§ 19.100.010 through 19.100.940, the parties to the attached GNC HOLDINGS, LLC AREA DEVELOPMENT AGREEMENT (the “Agreement”) agree as follows:

1. In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW, shall prevail.
2. The state of Washington has a statute, RCW 19.100.180 which may supersede the Agreement in Developer’s relationship with Franchisor including the area of termination of the Agreement. There may also be court decisions which may supersede the Agreement in Developer’s relationship with the Franchisor including the area of termination of the Agreement.
3. In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site shall 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 Agreement, Developer may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.
4. A release or waiver of rights executed by Developer will not include rights under the Washington Franchise Investment Protection Act or any rule or order thereunder except when executed pursuant to a negotiated settlement after the agreement is in effect and where Developer is represented by independent counsel. Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the Washington Franchise Investment Protection Act, or rights or remedies under the Act, such as a right to jury trial, may not be enforceable.
5. Transfer fees are collectible to the extent they reflect Franchisor’s reasonable estimated or actual costs in effecting the transfer.
6. Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of Developer, 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 Developer under 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 for inflation). As a result, any provisions contained in the Agreement or elsewhere that conflict with these limitations are void and unenforceable in Washington.

7. RCW 49.62.060 prohibits Franchisor from restricting, restraining, or prohibiting Developer from (i) soliciting or hiring any employee of a franchisee of Franchisor, or (ii) soliciting or hiring any employee of Franchisor. As a result, any such provisions contained in the Agreement or elsewhere are void and unenforceable in Washington.
8. In lieu of an impound of franchise fees, with respect to each Store required to be developed hereunder, Franchisor agrees to defer payment of the Development Fee and the Franchise Fee (and any other fees or payments related to such Store that would be considered franchise fees under the Washington Franchise Investment Protection Act, including pre-opening payments to Franchisor or its Affiliates for inventory) by Developer to Franchisor or its Affiliates until, with respect to such Store being developed hereunder, Developer has (a) received all pre-opening obligations that it is entitled to under the applicable Franchise Agreement and Franchisor's Franchise Disclosure Document provided to Franchisee, and (b) opened such Store. At such time that Developer, with respect to the particular Store being developed hereunder, has received all pre-opening obligations that it is entitled to under the applicable Franchise Agreement and Franchisor's Franchise Disclosure Document, and Developer has opened such Store, all deferred fees and payments related to such Store shall be immediately due and payable by Developer to Franchisor. For the avoidance of doubt, any fees paid by franchisee in connection with the Agreement will be collected proportionally with respect to each Store opened under the Agreement.
9. Franchisor will not charge Developer a Development Rights Fee under the Agreement. Therefore, Section 4.1(i) of the Agreement will not apply to Developer.
10. Section 30 of the Agreement, titled "Acknowledgments," is hereby deleted in its entirety.
11. No statement, questionnaire, or acknowledgment signed by Developer 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 by Franchisor, any franchise seller, or other person acting on behalf of Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.
12. Each provision of this Addendum will be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Washington Franchise Investment Protection Act are met independently without reference to this Addendum.
13. Except as otherwise provided in this Addendum, all the other terms, covenants and agreements in the Agreement shall remain the same, and the Agreement, as amended, shall continue in full force and effect. To the extent this Addendum is inconsistent with any terms or conditions of the Agreement or the exhibits thereto, the terms of this Addendum shall govern.

[Signature Page Follows]

IN WITNESS WHEREOF, Franchisor and Developer have executed this Addendum as of the date of the Agreement.

GNC HOLDINGS, LLC  
Franchisor

By: \_\_\_\_\_

Franchisor Address:

GNC Holdings, LLC  
75 Hopper Place, Suite 501  
Pittsburgh, Pennsylvania 15222  
Attention: General Counsel

\_\_\_\_\_  
Developer (Entity)

By: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Title: \_\_\_\_\_

By: \_\_\_\_\_  
Print Name: \_\_\_\_\_

By: \_\_\_\_\_  
Print Name: \_\_\_\_\_

Developer Address:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

# **EXHIBIT G**

## **Product Sales Agreement**

\_\_\_\_\_  
\_\_\_\_\_  
KK# \_\_\_\_\_

## PRODUCT SALES AGREEMENT

This PRODUCT SALES AGREEMENT (this “Agreement”) is entered into as of the \_\_\_\_ day of \_\_\_\_\_, 20\_\_, by and between \_\_\_\_\_ (collectively, “Buyer”), and GNC HOLDINGS, LLC, a Delaware limited liability company (“Seller”).

WHEREAS, Buyer and Seller have entered into a Franchise Agreement dated \_\_\_\_\_, 20\_\_ for the operation of a franchised GNC retail store specializing in the sale of health, wellness, and performance products.

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, the parties hereto covenant and agree as follows:

1. Purchase and Sale Transactions. Seller has sold or agrees to sell to Buyer, and Buyer, jointly and severally if more than one Buyer is named herein, agrees to purchase, and pay for pursuant to the terms of Seller’s invoices, products for resale at the store as well as inventory, fixtures and equipment (collectively, “Products”), all as set forth in and at the prices listed in Seller’s then-current order book. Seller shall not be under any obligation to continue the supply of all or any of the Products and shall be entitled to make such additions or alterations to the Products, their packaging and labeling, as applicable, as Seller may think appropriate. Seller has no obligation to accept any order placed by Buyer. Orders will not be deemed accepted by Seller until confirmed by Seller in writing.
2. Security Interest. To secure the due and punctual payment of the purchase price of the Products purchased from Seller hereunder, Buyer hereby agrees that Seller shall have, and hereby grants to and creates in favor of Seller, a security interest under the Pennsylvania Uniform Commercial Code (13 Pa.C.S. Section 1101 et seq.) (the “Code”) in and to the Products purchased by Buyer from Seller hereunder and all attachments, accessories and parts used or intended to be used with such Products, as applicable, and all Cash and Non-cash Proceeds thereof and all Supporting Obligations relating thereto (the “Collateral”). Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Code. Seller reserves the right to change any payment term or require full payment in cash before order entry, manufacture, shipment or delivery if, in Seller’s sole judgment, Seller determines that there has been a material adverse change in Buyer’s financial condition or creditworthiness or there has been an unsatisfactory payment performance by Buyer. Buyer authorizes the filing of and/or shall join with Seller in executing one or more financing statements and continuation statements in form satisfactory to Seller, and Buyer shall pay the cost of filing the same or filing or recording this Agreement in all public offices and the cost of all searches of records, wherever filing or recording or searching of records is deemed by Seller to be necessary. Buyer authorizes the filing of, and, at the request of Seller, shall, from time to time, execute, additional or supplemental documents and agreements to confirm Seller’s security interest in the Collateral. Buyer irrevocably appoints Seller as its agent and attorney in fact to execute any such financing statements or other documents in Buyer’s name.
3. Termination. This Agreement may be terminated by either party upon thirty (30) days’ prior written notice; however, the security interest in the Collateral shall survive the termination or expiration of this Agreement until payment in full has been made for Products purchased from

Seller and a termination statement has been filed in accordance with applicable portions of the Code. If Seller, after termination of its security interest, should have to disgorge payments made by Buyer for any reason, including bankruptcy, Seller's security interest shall be immediately reinstated. The following shall be "Events of Default" under this Agreement: (a) Buyer shall default under this Agreement or fail to perform or observe any of the agreements or covenants set forth in this Agreement or fail to pay when due any invoice or invoices covering Products purchased under this Agreement; (b) Buyer shall be declared to be in default under any material contract, agreement, or instrument, including the Franchise Agreement, to which Buyer, or either of the Buyers if more than one, is a party with Seller or its affiliates or assigns, and such default shall continue beyond any applicable cure period; (c) Buyer shall sell, remove, or attempt to sell, remove, or assign inventory not in the ordinary course of business; or (d) any judgment creditor of Buyer shall obtain possession of any Collateral by means including, without limitation, levy, distraint, replevin or self-help.

4. Remedies upon Default. Upon the occurrence of any Event of Default and without notice, Seller may immediately terminate this Agreement and accelerate the maturity of any debt hereunder and Seller may proceed to protect and enforce its rights either by suit in equity and/or by action at law or proceed to obtain judgment or any other relief whatsoever appropriate to the action or proceeding. In addition, Seller may immediately, without demand of performance and without other notice to Buyer (all of which are hereby expressly waived): (a) repossess the Collateral at its location; (b) without advertisement, sell at public or private sale or otherwise realize upon the whole or, from time to time, any part of the Collateral, or any interest which Buyer may have therein; or (c) to the full extent permitted by applicable law, enter any premises where the Collateral is located and take possession and control of the same and to keep and store the Collateral on such premises or if the Collateral is located on the premises, operate the business wherein the Collateral is located. If Seller repossesses the Collateral, the Seller will credit the buyer the wholesale value of the saleable inventory, and Seller shall have the right to set-off this credit against any or all amounts owing to Seller by Buyer under this Agreement, the Franchise Agreement and any other agreement with Seller, its affiliates, successors or assigns. All rights and remedies given by this Agreement are cumulative and not exclusive of any thereof or of any other rights or remedies available to Seller, and no course of dealing between the parties shall operate as a waiver of such rights or remedies. Buyer shall, on demand, reimburse Seller for all expenses, including the reasonable fees and expenses of legal counsel for Seller, incurred by Seller in connection with the enforcement of this Agreement.
5. DISCLAIMER OF WARRANTY. SELLER MAKES NO EXPRESS WARRANTIES AND EXPRESSLY EXCLUDES AND DISCLAIMS ALL IMPLIED WARRANTIES WITH RESPECT TO THE PRODUCTS, EQUIPMENT OR OTHER ITEMS SOLD HEREUNDER, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. BUYER'S EXCLUSIVE REMEDY AND SELLER'S EXCLUSIVE LIABILITY FOR ALL CLAIMS AS TO ANY SUCH PRODUCTS, EQUIPMENT OR ITEMS IS LIMITED TO THE PURCHASE PRICE THEREFOR, PLUS SHIPPING COSTS, IF ANY, BUYER PAID; OR, AT SELLER'S OPTION, THE REPLACEMENT THEREOF. SELLER WILL NOT BE LIABLE FOR SPECIAL, INCIDENTAL, INDIRECT, CONSEQUENTIAL, MULTIPLIED, EXEMPLARY, OR PUNITIVE DAMAGES, WHETHER OR NOT CAUSED BY OR RESULTING FROM SELLER'S NEGLIGENCE, FOR ANY MATTER STATED IN THIS SECTION.
6. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania, the law of which shall prevail in the event of any conflict of law.

7. Forum Selection. Buyer agrees that any action brought by Buyer against Seller in any court, whether federal or state, shall be brought only within the Commonwealth of Pennsylvania in the judicial district in which Seller has its principal place of business, provided further that, if there is subject matter jurisdiction, such action shall only be brought in the federal district courts of the Western District of Pennsylvania; and the parties waive all questions of personal jurisdiction or venue for the purpose of carrying out this provision. Buyer also agrees that the Seller may, in its sole discretion, bring any action against the Buyer in any court, whether federal or state, within either a) the Commonwealth of Pennsylvania; or b) in any jurisdiction in which the Buyer resides or owns property. If the Seller brings an action against Buyer in any state or federal court located within the Commonwealth of Pennsylvania in the judicial district in which Seller has its principal place of business, Buyer accepts generally and unconditionally the jurisdiction and venue of the aforesaid courts and waives any defense of forum non conveniens.
8. **Confession of Judgment.** **Power to confess judgment: If Buyer defaults in the payment of any amounts due hereunder, Buyer hereby irrevocably authorizes and empowers the Prothonotary or any attorney of any court of record within the United States or elsewhere to appear for the Buyer, and, with or without complaint filed, confess judgment against Buyer in favor of Seller, for amounts due hereunder, together with unpaid interest and late charges thereon, costs of suit, and a reasonable attorney's fee for collection, with release of all errors, waiving the right of inquisition on any Products levied on, voluntarily condemning the same, and authorizing the Prothonotary or clerk to enter upon the Writ of Execution said voluntary condemnation and agreeing that said Products may be sold on a Writ of Execution, and waiving all laws relating to the exemption of real or personal property from execution, to the extent that such laws may lawfully be waived by the undersigned, without stay of execution, appraisal, or right of appeal. In any action of any amount due, Seller shall cause to be filed in such action an affidavit made by Seller or someone acting for Seller setting forth the facts necessary to authorize the entry of judgment, of which facts such affidavit shall be conclusive evidence. If a copy of this Agreement, verified by affidavit by or on behalf of Seller shall have been filed in any such action, it shall not be necessary to file the original Agreement as a warrant of attorney or otherwise. No single exercise of the foregoing power to confess judgment shall be deemed to exhaust the power, whether or not any such exercise shall be held by any court to be valid, voidable, or void, but the power shall continue undiminished and it may be exercised from time to time as often as Seller shall elect, until such time as Seller shall have received payment in full of the debt, interest, and costs.**
9. **Waiver of Jury Trial.** Seller and Buyer agree that in any litigation, suit, action, counterclaim, or proceeding, whether at law or in equity, which arises out of, concerns, or relates to this Agreement, any and all transactions contemplated hereunder, the performance of this Agreement, or otherwise, trial shall be to a court of competent jurisdiction and not to a jury. Seller and Buyer hereby irrevocably waive any right either party may have to a trial by jury. Either Seller or Buyer may file an original counterpart or a copy of this Agreement with any court as written evidence of the consent of Seller or Buyer to the waiver of their right to trial by jury.
10. Partial Invalidation. If any terms, covenants, or conditions of this Agreement shall be invalid or unenforceable, the remainder of this Agreement shall nevertheless survive and be binding upon the parties hereto.
11. Notice. Any ~~notice and all notices~~ required or permitted ~~to be given hereunder under this Agreement~~ shall be in writing and ~~may shall~~ be ~~given in person, sent~~ by ~~reputable overnight mail(i) personal~~

~~delivery service, or by United States, (ii) U.S. certified mail or registered mail, postage prepaid, return receipt requested, addressed. (iii) nationally recognized overnight courier service, or (iv) electronic mail (including PDF), to the other party-respective parties at the address appearing by such party's addresses set forth on the signature below. Notices page of this Agreement, unless and until a different address has been designated by written notice to the other party in the manner set forth herein. Any such notice shall be deemed to have been given (i) if personally delivered on the date shown on the return receipt or in the, upon delivery service's records as the date of (or delivery or refused), (ii) if sent by U.S. certified or registered mail, three (3) days after mailing, (iii) if sent by overnight courier service, on the date of the first attempted delivery, if actual or (iv) if sent by electronic mail, on the date of transmission, provided that the sender has received a delivery cannot confirmation generated by the sender's email system which indicates that the email was delivered to the recipient's email address, in each case excluding Sundays and national holidays and regardless of whether the party refuses delivery or is no longer at the address for any reason be made notice.~~

12. **Compliance with California Franchise Investment Law and California Finance Lender Law §22063.** Buyer represents to Seller that the proceeds of this Product Sales Agreement, if advanced by Seller to Buyer, will be used exclusively for the acquisition, construction, operation, development, equipping, expansion, contracting, consolidation, merger, recapitalization, reorganization, or termination of Buyer's franchised business, and not for personal, family or household purposes.

[Signature page follows]

IN WITNESS WHEREOF, the parties have hereunto set their hands on the date first above written.

**BUYER – If an Entity**

Type Entity Name Here

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**BUYER - Individually**

By: \_\_\_\_\_

Name: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

**ADDRESS OF BUYER:**

**EMAIL ADDRESS OF BUYER:**

**SELLER**  
**GNC HOLDINGS, LLC**

By: \_\_\_\_\_

Title: \_\_\_\_\_

**ADDRESS OF SELLER PARTY:**

75 Hopper Place, Suite 501  
Pittsburgh, PA 15222

**Attention:** \_\_\_\_\_

**EMAIL ADDRESS OF SELLER PARTY:**

**STATE OF WASHINGTON  
ADDENDUM TO PRODUCT SALES AGREEMENT**

In recognition of the requirements of the Washington Franchise Investment Protection Act, Wash. Rev. Code §§ 19.100.010 through 19.100.940, the parties to the attached GNC HOLDINGS, LLC PRODUCT SALES AGREEMENT (the “Agreement”) agree as follows:

1. Section 5 of the Agreement is hereby deleted in its entirety and replaced with the following:
  5. DISCLAIMER OF WARRANTY. SELLER MAKES NO EXPRESS WARRANTIES AND EXPRESSLY EXCLUDES AND DISCLAIMS ALL IMPLIED WARRANTIES WITH RESPECT TO THE PRODUCTS, EQUIPMENT OR OTHER ITEMS SOLD HEREUNDER, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.
2. Each provision of this Addendum will be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Washington Franchise Investment Protection Act are met independently without reference to this Addendum.
3. Except as otherwise provided in this Addendum, all the other terms, covenants and agreements in the Agreement shall remain the same, and the Agreement, as amended, shall continue in full force and effect. To the extent this Addendum is inconsistent with any terms or conditions of the Agreement or the Attachments thereto, the terms of this Addendum shall govern.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties have executed this Addendum as of the date of the Agreement.

**BUYER – If an Entity**

Type Entity Name Here

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**BUYER - Individually**

By: \_\_\_\_\_  
Name: \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_

ADDRESS OF BUYER:

**SELLER**  
**GNC HOLDINGS, LLC**

By: \_\_\_\_\_  
Title: \_\_\_\_\_

**ADDRESS OF SELLER PARTY:**  
75 Hopper Place, Suite 501  
Pittsburgh, PA 15222

# **EXHIBIT H**

## **Asset Purchase and Sale Agreement**

KK# \_\_\_\_\_

## ASSET PURCHASE AND SALE AGREEMENT

This Asset Purchase and Sale Agreement (this “Agreement”), entered into this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, by and among GNC HOLDINGS, LLC, a Delaware limited liability company, having offices at 75 Hopper Place, Suite 501, Pittsburgh, Pennsylvania 15222 (“Seller”), and \_\_\_\_\_ (“Purchaser”).

### WITNESSETH:

WHEREAS, Seller franchises stores known as General Nutrition Centers under the General Nutrition Center System and Purchaser desires to operate a store in the system (the “Store”) in the building known as “\_\_\_\_\_” located at \_\_\_\_\_ (the “Building”);

WHEREAS, if Seller occupies premises in the Building (the “Premises”), upon which Seller operates the Store pursuant to a lease between Seller and \_\_\_\_\_ (the “Landlord”) dated \_\_\_\_\_ (the “Lease”), Seller desires [either](#) to assign the Lease to Purchaser [or sublease the Premises to Purchaser](#), and Purchaser desires to assume and undertake Seller’s obligations [either](#) under the Lease [or pursuant to a sublease](#);

WHEREAS, Seller desires to sell, and Purchaser desires to purchase, all of Seller’s right, title and interest in and to all the assets located within the Store, including without limitation, the inventory, leasehold improvements, furnishings, fixtures and equipment (collectively, the “Assets”) used in the business operated on the Premises;

WHEREAS, Purchaser has, prior to or concurrently herewith, executed a GNC Holdings, LLC Franchise Agreement (the “Franchise Agreement”) for the operation of the Store with Seller;

NOW THEREFORE, in consideration of the premises and mutual promises contained herein and in reliance upon the respective representations and warranties made to them, and intending to be legally bound hereby, the parties agree as follows:

### **Section 1. Purchase and Sale of Assets; Lease [or Sublease of Premises](#)**

1.1 Upon the terms and conditions set forth in this Agreement, and in reliance upon the respective representations and warranties of the parties, Seller agrees to sell, assign, transfer, and deliver to Purchaser, and Purchaser agrees to purchase, acquire, and accept from Seller on the Closing Date (as defined in Section 6.1) the Assets set forth on [Exhibit A](#) attached hereto. The term “Assets” shall include as of the Closing Date all of Seller’s right, title, and interest in and to the following:

1.1.1 All inventories of Seller placed in or at the Premises (“Inventory”);

1.1.2 All leasehold improvements at the Premises (“Improvements”);

1.1.3 All furniture, fixtures, equipment, signs and other personal property, of every kind and description located in or at the Premises, which are now, or may hereafter prior to the Closing Date be placed in the Premises (collectively, “Equipment”);

1.1.4 To the extent that they may be transferred under applicable law, all licenses (excluding the Franchise Agreement), permits, and authorizations presently issued in connection with the

operation of all or any part of the Assets, or necessary to operate the Assets as they are presently being operated; and

1.1.5 To the extent they may be transferred, all warranties, if any, issued to Seller by any manufacturers and contractors in connection with construction or installation of any leasehold improvements and Equipment included as part of the Assets.

1.2 Further, on the Closing Date, and subject to the terms and conditions set forth herein, and in reliance on the representations and warranties of the parties, if ~~Seller occupies~~ Purchaser has not entered into a new lease for the Premises with Landlord, Seller agrees either to assign the Lease for the Premises to Purchaser (subject to Landlord's consent), ~~and~~ or to sublease the Premises to Purchaser (subject to Landlord's consent), upon the terms and conditions of and in the form attached hereto as Exhibit C (the "Sublease"), and in either case, Purchaser agrees to accept and comply with the covenants, obligations and promises of Seller in the Lease.

## **Section 2. Purchase Price**

2.1 Purchase Price. Purchaser shall pay the sum of \_\_\_\_\_ Thousand \_\_\_\_\_ Hundred \_\_\_\_\_ and 00/100 Dollars (\$\_\_\_\_\_.00) to Seller upon Closing (the "Purchase Price"), as payment for the Assets, of which NONE has been previously paid to Seller by Purchaser and of which \_\_\_\_\_ Thousand \_\_\_\_\_ Hundred \_\_\_\_\_ and 00/100 Dollars (\$\_\_\_\_\_) is allocated to the purchase of the Inventory. The Purchase Price is exclusive of the initial franchise fee paid by Purchaser to the Seller pursuant to the Franchise Agreement. and is exclusive of any payment due under the Sublease, if applicable.

2.2 Purchase Price Adjustment. The Purchase Price set forth in Section 2.1 hereof, shall be adjusted as provided herein, at or after the Closing Date to reflect the actual value of the Inventory as determined below. The value of the Inventory shall be determined by a count taken on the Premises that shall be conducted by a representative of Seller and a representative of Purchaser between the close of business on the day preceding the Closing Date and the Closing Date. The value of the Inventory shall be at the Seller's cost.

2.2.1. The amount of the Purchase Price shall be increased or decreased by an amount equal to the difference between (i) Seller's cost for the Inventory at the Premises at the close of business on the day preceding the Closing Date, and (ii) \_\_\_\_\_ Thousand \_\_\_\_\_ Hundred \_\_\_\_\_ and 00/100 Dollars (\$\_\_\_\_\_.). The amount of the Purchase Price as it may be adjusted pursuant to this subsection shall, (i) to the extent it is in excess of \$\_\_\_\_\_, Purchaser shall pay the amount of the excess to Seller upon notice, or (ii) to the extent it is less than \$\_\_\_\_\_, Seller will credit to Purchaser the amount of such deficiency.

## **Section 3. Transactions at Closing**

On or prior to the Closing Date referred to in Section 6.1 hereof:

3.1 Lease or Sublease. Purchaser and Seller shall execute either an assignment of the Lease. ~~The or a Sublease, or, if required by Landlord, Purchaser shall enter into a new lease for the Premises with Landlord. Notwithstanding anything herein to the contrary, the decision whether to assign the Lease or enter into a Sublease shall be at the sole discretion of Seller. In the case of an assignment of the Lease, it~~ shall take effect as of the date stated herein, subject to the written consent of the Landlord ~~thereto~~. Pursuant to the any such assignment, Purchaser shall assume all of Seller's

obligations under the Lease, and Purchaser shall use its best efforts and maximum diligence to ensure that each obligation under the Lease is met in compliance with the terms of the Lease. In the case of a Sublease, it shall take effect as of the date stated herein, subject to the written consent of the Landlord. Seller will sublease all of its right, title, and interest in and to the Lease for the Premises to Purchaser upon terms and conditions not less favorable than those set forth in the Lease. Pursuant to the Sublease, Purchaser shall assume all of Seller's obligations under the Lease, and Purchaser shall use its best efforts and maximum diligence to ensure that each obligation under the Lease is met in compliance with the terms of the Sublease.

- 3.2 Assets. Seller shall sell, assign, and transfer to Purchaser, free and clear of all liabilities, obligations, security interests, and encumbrances, all of its right, title, and interest in and to the Assets, including all of the Inventory, Improvements and Equipment. All Improvements, Inventory and Equipment are sold in their condition "AS IS" as of the date of the execution of this Agreement. SELLER MAKES NO EXPRESS WARRANTIES AND EXPRESSLY EXCLUDES AND DISCLAIMS ALL IMPLIED WARRANTIES WITH RESPECT TO ALL IMPROVEMENTS, INVENTORY AND EQUIPMENT SOLD HEREUNDER, INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. PURCHASER'S EXCLUSIVE REMEDY AND SELLER'S EXCLUSIVE LIABILITY FOR ALL CLAIMS AS TO ANY IMPROVEMENTS, INVENTORY AND EQUIPMENT SOLD HEREUNDER IS LIMITED TO THE PURCHASE PRICE THEREFOR, PLUS SHIPPING COSTS, IF ANY, PURCHASER PAID. SELLER WILL NOT BE LIABLE FOR SPECIAL, INCIDENTAL, INDIRECT, CONSEQUENTIAL, MULTIPLIED, EXEMPLARY, OR PUNITIVE DAMAGES, WHETHER OR NOT CAUSED BY OR RESULTING FROM SELLER'S NEGLIGENCE, FOR ANY MATTER STATED IN THIS SECTION.

#### **Section 4. General Undertaking**

- 4.1 Consent of Landlord. Seller shall use commercially reasonable efforts to secure the consent of the Landlord to a Sublease or the assignment of the Lease, as the case may be, as soon as possible after the date of this Agreement; and prior to the Closing. Seller makes no warranty or guarantee that such consent can be obtained, and the failure to obtain said consent shall not result in any liability of Seller to Purchaser. ~~Such~~Unless Purchaser enters into a new lease for the Premises with Landlord on or prior to the Closing Date, such Landlord consent shall be a condition to the Closing hereunder.
- 4.2 Renegotiation of Lease. If ~~desired by~~Seller intends to sublease the Premises to Purchaser, and ~~Seller~~if both Seller and Purchaser desire the Lease to be extended or renewed, Seller agrees to use ~~its~~ commercially reasonable efforts to obtain, at the Lease expiration date, an extension or renewal of the Lease on terms satisfactory to Seller and Purchaser. If the Lease is extended or renewed, Seller may extend or renew the Sublease with Purchaser, in Seller's sole discretion, on terms not less favorable than those in the Lease as so extended or renewed, subject to Purchaser's compliance with the Sublease and the Franchise Agreement. Seller makes no warranty or guarantee that an extension or renewal can be obtained or that it will endeavor to obtain the same; and Purchaser agrees and acknowledges that an extension or renewal of ~~such~~the Lease or Sublease may not be desirable for Seller or Purchaser. Failure of Seller to obtain an extension or renewal of the Lease is at Purchaser's ~~own~~sole risk and shall not result in any liability of Seller to Purchaser. Seller acknowledges that the existing Lease expiration date for the Store is [ADD DATE].
- 4.3 Permits or Approvals. Upon Closing, to the extent required by applicable law, Purchaser shall have obtained all necessary permits and approvals including, but not limited to, health permits and

business licenses to operate that business which is the subject of this Agreement and the Franchise Agreement.

## **Section 5. Indemnity Against Claims**

- 5.1 Purchaser agrees to waive compliance with the requirements of any bulk sales law, bulk transfer provision or analogous requirements of the Uniform Commercial Code of the Commonwealth of Pennsylvania and the ~~State~~state of \_\_\_\_\_ (“Bulk Sales Law”) which may apply to this purchase and sale.
- 5.2 Seller hereby agrees to defend, indemnify and hold Purchaser harmless against and from all claims or causes of action resulting directly from any failure to comply with an applicable provision of the Bulk Sales Law in connection with this transaction. Seller warrants that it is or shall pay all amounts rightfully due and owing to all trade and business creditors protected by any provision of a Bulk Sale Law ~~which~~that is waived hereunder.
- 5.3 Purchaser hereby agrees to defend, indemnify and hold Seller and its affiliates harmless from and against any and all claims, demands, actions, causes of action, suits, liabilities, losses, litigation costs, and expenses, including reasonable attorneys’ fees, (collectively, “Claims”), which arise from Purchaser’s or its employees’, agents’, contractors’ or invitees’ presence on, or use and occupancy of the Premises on or after the Closing Date.
- 5.4 Purchaser hereby agrees to indemnify and hold harmless Seller from and against all ~~claims~~Claims for any sales, transfer, or related taxes which may be imposed upon the transfer of any asset or the execution or recording of any documents executed pursuant to this Agreement.

## **Section 6. Closing**

- 6.1 Date. The Closing shall take place ~~at the offices of Seller on the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, or before \_\_\_\_\_~~ (the “Closing Date”), at such location as determined by Seller.
- 6.2 Amounts Due. At Closing, Purchaser shall pay to Seller the Purchase Price ~~under the terms set forth~~determined in ~~Section~~accordance with Sections 2.1 and 2.2 hereof.
- 6.3 Taxes and Miscellaneous Prorations. Any sales, use, transfer or other tax or recording costs imposed upon the transfer of Assets shall be paid by Purchaser. All amounts paid by Seller for permits, licenses or authorities shall be apportioned as of the Closing Date.
- 6.4 Adjustments for Rents and Other Leasehold Charges. Rent, common area charges, utility charges, percentage rent, real estate taxes and any other similar items, which are unbilled, but which obligations arise from or are related to the Lease ~~of~~for the Premises, shall be pro-rated as of the Closing Date.
- 6.5 Additional Documents to be Executed and Delivered at Closing. At Closing, the party to be bound thereby shall execute and deliver the following documents, execution and delivery of which shall be express conditions precedent to the sale contemplated by this Agreement.
- 6.5.1. ~~The~~If necessary, the Product Sales Agreement upon the terms and conditions of and in the form annexed hereto as Exhibit AB;

6.5.2. In addition, Seller and Purchaser shall execute such instruments of Assignment, Assumption, and Transfer and Bills of Sale as may be necessary to convey the Assets; and if applicable, to assign the Lease; and

6.5.3 If applicable, the Sublease upon the terms and conditions of and in the form annexed hereto as Exhibit C.

## **Section 7. Representation and Warranties of Seller**

Seller ~~warrants and~~ represents and warrants to Purchaser the following as of the date hereof and as of the Closing Date:

- 7.1 Authority. Seller is a ~~corporation~~limited liability company, duly formed, validly existing, and in good standing under the laws of ~~Pennsylvania~~the state of Delaware. Seller has full and absolute power and authority to enter into this Agreement and all ancillary documents delivered pursuant hereto, and to assume and perform all of its obligations hereunder. The execution and delivery of this Agreement and the performance by the Seller of its obligations hereunder have been duly authorized by all requisite ~~corporate~~company action, and no further action or approval is required in order to constitute this Agreement as a binding and enforceable obligation of the Seller.
- 7.2 Seller's Compliance. Except as otherwise set forth herein, neither the execution and delivery of this Agreement nor the consummation of any material transaction contemplated hereby requires the consent or approval of a third party or will conflict with, or (with or without the giving of notice or the passage of time or both) result in a breach of, any of the terms, conditions, or provisions of any material law, regulation, judicial order, or administrative order, writ, injunction, judgment, or decree of any court or governmental instrumentality; ~~that is applicable to or binding upon Seller,~~ or the corporate charter or by laws, bylaws or other governing documents of Seller, or the provisions of any material ~~(i) note of which Seller is the maker, (ii),~~ indenture, ~~(iii) agreement, or (iv) other~~ instrument by which ~~it~~Seller is bound. Furthermore, Seller has no knowledge or information that there are any actions, suits, or proceedings (whether or not purportedly on behalf of Seller), pending or threatened, which would materially adversely affect the ~~mentioned~~ Assets or the Premises, ~~at law or in equity or by any federal, state, municipal, or other governmental department, commission, board, agency, or instrumentality, domestic or foreign~~Seller's ability to convey the Assets.
- 7.3 Premises. Seller has no knowledge or information that its use of the Premises is in violation of any applicable material laws, ordinances, or regulations. Seller has not received notice to the contrary from any government authorities at any level.
- 7.4 Lease. If a Lease is indicated on Page 1 herein, Seller is the lessee of the Premises, is in full compliance with the material terms of the Lease, and has not received any notice of default with respect to the Lease.
- 7.5 Binding on Seller. ~~The execution and delivery of this~~This Agreement, the Product Sales Agreement, and all other documents ~~executed delivered by Seller~~ in connection herewith, have been duly executed and delivered by Seller and ~~the consummation of the transaction contemplated hereby and thereby will constitute~~ valid and binding upon the Seller obligations of Seller, enforceable against Seller in accordance with their terms.
- 7.6 Cooperation. Seller agrees to make use commercially reasonable efforts to facilitate the transfer of the Assets under this Agreement and to that end, agrees to execute any and all such additional

documents as are required to carry out the terms and provisions of this Agreement, provided such document(s) are in form and substance reasonably satisfactory to Seller.

## **Section 8. Representations and Warranties of Purchaser**

Purchaser represents and warrants to Seller the following as of the date hereof and as of the Closing Date:

- 8.1 Formation, Power and Authority. If Purchaser is a corporation, limited liability company, partnership, or other entity, it is duly formed, validly existing, and in good standing under the lawlaws of the Statestate of \_\_\_\_\_ and is authorized to do business in the state in which the Store is located. Purchaser has full and absolute power and authority to enter into this Agreement and all ancillary documents delivered pursuant hereto, and to assume and perform all of their obligations hereunder. The execution and delivery of this Agreement and the performance by Purchaser of ~~its~~their obligations hereunder require~~have been duly authorized by all requisite company action, and~~ no further action, approval or ~~consents by any third persons~~consent is required in order to constitute this Agreement as a binding and enforceable obligation of Purchaser.
- 8.2 Purchaser's Compliance. Except as otherwise set forth herein, neither the execution and delivery of this Agreement nor the consummation of any material transaction contemplated hereby requires the consent or approval of a third party or will conflict with, or (with or without the giving of notice or the passage of time or both) result in a breach of, any of the terms, conditions, or provisions of any material law, regulation, judicial order, ~~or~~administrative order, writ, injunction, judgment, or decree of any court or governmental ~~instrumentality~~authority that is applicable to or ~~or~~binding upon Purchaser, or the corporate charter or bylaws, or other governing documents of Purchaser, or the provisions of any material ~~(i)~~note ~~of which Purchaser is the maker,~~ ~~(ii)~~ indenture, ~~(iii)~~ agreement, or ~~(iv)~~other instrument by which ~~it~~Purchaser is bound. Furthermore, Purchaser has no knowledge or information that there are any actions, suits, or proceedings, pending or threatened, that would materially adversely affect the ability of Purchaser to lease or sublease the Premises or acquire the Assets, ~~at law or in equity, by any federal, state, municipal or other governmental department, commission, board, agency or instrumentality, domestic or foreign.~~
- 8.3 Legal Action Against Purchaser. There are no material judgments, orders, or decrees of any kind against Purchaser unpaid or unsatisfied of record nor any legal action, suit or other legal or administrative proceeding pending or, to the best of ~~either of~~Purchaser's knowledge, threatened, before any court or administrative agency.
- 8.4 Bankruptcy or Debt of Purchaser. Purchaser is not in the hands of a receiver ~~and has,~~ is not ~~committed an act of bankruptcy~~bankrupt or insolvent, and is financially ~~solvent,~~ able to meet its obligations as they become due and has made adequate provision for the payment of its debts and liabilities.
- 8.5 Binding on Purchaser. ~~The execution and delivery of this~~This Agreement, the Product Sales Agreement, and all other documents ~~executed delivered by Purchaser~~ in connection herewith, have been duly executed and delivered by Purchaser and ~~the consummation of the transaction contemplated hereby and thereby will constitute~~ valid and binding upon the Purchaserobligations of Purchaser, enforceable against Purchaser in accordance with their terms.

## **Section 9. Joint and Several Liability**

Each Purchaser, if more than one Purchaser is named herein, hereby agrees to be jointly and severally liable for the performance of all of the obligations under this Agreement.

**Section 10. Survival of Covenants, Representations, Warranties and Guarantees**

All covenants, representations, guarantees, and indemnities contained herein, or in any exhibit attached hereto, or in any Closing documents shall survive the Closing.

**Section 11. Broker**

The parties represent and warrant to each other that they have not dealt with any broker in connection with this transaction, and each party shall indemnify, defend, and hold the other harmless from and against any and all costs, expenses (including reasonable attorneys' fees) and liabilities arising from any claims made for broker's commission or like compensation in connection with this transaction, provided that such claims result from any act of the indemnifying party or its representatives.

**Section 12. Assignment**

Purchaser shall not have the right to assign its rights and interest in and to this Agreement without the prior written consent of the Seller, which consent shall not be unreasonably withheld. Seller may assign its rights and interest in and to this Agreement at any time for any reason.

**Section 13. General**

13.1 Notices. AllAny and all notices required or permitted under this Agreement shall be in writing and shall be deemed duly given if delivered in person or if mailed sent by (i) personal delivery, (ii) U.S. certified or registered mail, postage prepaid, return receipt requested or via, (iii) nationally recognized overnight courier service, or (iv) electronic mail (including PDF), to the respective parties at the following addresses set forth below, unless and until a different address has been designated by written notice to the other party in the manner set forth herein. Any such notice shall be deemed to have been given (i) if personally delivered, upon delivery (or delivery refused), (ii) if sent by U.S. certified or registered mail, three (3) days after mailing, (iii) if sent by overnight courier service, on the date of the first attempted delivery, or (iv) if sent by electronic mail, on the date of transmission, provided that the sender has received a delivery confirmation generated by the sender's email system which indicates that the email was delivered to the recipient's email address, in each case excluding Sundays and national holidays and regardless of whether the party refuses delivery or is no longer at the address for notice.

If to Seller to: GNC Holdings, LLC  
75 Hopper Place, Suite 501  
Pittsburgh, PA 15222  
ATTN: General Counsel

With a copy to: GNC Holdings, LLC  
75 Hopper Place, Suite 501  
Pittsburgh, PA 15222  
ATTN: General Counsel

If to Purchaser to: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

With a copy to: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

13.2 Costs. Except as otherwise provided in this Agreement, each party shall bear its own costs, including attorneys' fees, in connection with the preparation of this Agreement and the transactions contemplated hereby.

13.3 **Applicable Law and Waiver of Jury Trial.** This Agreement shall be interpreted and construed under the laws of the Commonwealth of Pennsylvania, which laws shall prevail in the event of any conflict of law. The parties agree that any action brought by Purchaser against Seller in any court, whether federal or state, shall be brought only within the Commonwealth of Pennsylvania in the judicial district in which Seller has its principal place of business, provided further that, if there is subject matter jurisdiction, such action shall only be brought in the federal district courts of the Western District of Pennsylvania; and the parties waive all questions of personal jurisdiction or venue for the purpose of carrying out this provision. The parties also agree that the Seller may bring any action against the Purchaser in any court, whether federal or state, within the Commonwealth of Pennsylvania. If Seller brings an action against Purchaser in any state or federal court located within the Commonwealth of Pennsylvania ~~in~~, including within the judicial district in which Seller has its principal place of business, Purchaser accepts generally and unconditionally the jurisdiction and venue of the aforesaid courts and waives any defense of forum non conveniens. Seller and Purchaser agree that in any litigation, suit, action, counterclaim, or proceeding, whether at law or in equity, which arises out of, concerns, or relates to this Agreement, any and all transactions contemplated hereunder, the performance of this Agreement, or otherwise, trial shall be to a court of competent jurisdiction and not to a jury. Seller and Purchaser hereby irrevocably waive any right either party may have to a trial by jury. Either Seller or Purchaser may file an original counterpart or a copy of this Agreement with any court as written evidence of the consent of Seller or Purchaser of the waiver of their right to trial by jury.

13.4 Entire Agreement

13.4.1. This instrument contains the entire agreement between the parties with respect to the transactions contemplated herein and supersedes any prior agreements or understandings relating to its subject matter, either written or verbal, between the parties; provided, that nothing in this instrument is intended to disclaim the representations made in Seller's Franchise Disclosure Document.

13.4.2. All captions in this Agreement are intended solely for the convenience of the parties, and shall be deemed not to affect the meaning or construction of any provision hereof.

13.5 Partial Invalidity. If any terms, covenants, or conditions of this Agreement shall be invalid or unenforceable, the remainder of this Agreement shall nevertheless survive and be binding upon the parties hereto.

13.6 Binding Effect. Subject to the provisions governing assignment, this Agreement shall be binding upon and inure to the benefit of the heirs, legal representatives, successors, and assigns of the respective parties hereto.

13.7 Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which shall be considered one and the same instrument.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed, as of the day and year first above written.

**SELLER**  
GNC HOLDINGS, LLC

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**PURCHASER – If any Entity**

\_\_\_\_\_  
Type Entity Name Here

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**PURCHASER – Individually**

By: \_\_\_\_\_  
Name: \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_

**ESCROW AGENT (If Applicable)**

**STATE OF WASHINGTON  
ADDENDUM TO ASSET PURCHASE AND SALE AGREEMENT**

In recognition of the requirements of the Washington Franchise Investment Protection Act, Wash. Rev. Code §§ 19.100.010 through 19.100.940, the parties to the attached GNC HOLDINGS, LLC ASSET PURCHASE AND SALE AGREEMENT (the “Agreement”) agree as follows:

1. In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW, will prevail.
2. The state of Washington has a statute, RCW 19.100.180, which may supersede the Agreement in Purchaser’s relationship with Seller including the areas of termination and renewal of the Agreement. There may also be court decisions which may supersede the Agreement in Purchaser’s relationship with the Seller including the areas of termination and renewal of the Agreement.
3. In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site will be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation, or as determined by the arbitrator or mediator at the time of arbitration or mediation. In addition, if litigation is not precluded by the Agreement, Franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.
4. A release or waiver of rights executed by Purchaser will not include rights under the Washington Franchise Investment Protection Act or any rule or order thereunder except when executed pursuant to a negotiated settlement after the agreement is in effect and where Purchaser is represented by independent counsel. Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the Washington Franchise Investment Protection Act, or rights or remedies under the Act, such as a right to jury trial, may not be enforceable.
5. Transfer fees are collectible to the extent they reflect Seller’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 Purchaser, 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 Purchaser under 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 for inflation). As a result, any provisions contained in the Agreement or elsewhere that conflict with these limitations are void and unenforceable in Washington.
7. RCW 49.62.060 prohibits Seller from restricting, restraining, or prohibiting Purchaser from (i) soliciting or hiring any employee of a franchisee of Seller, or (ii) soliciting or hiring any employee of Seller. As a result, any such provisions contained in the Agreement or elsewhere are void and unenforceable in Washington.
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

**WASHINGTON**

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

9. Each provision of this Addendum will be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Washington Franchise Investment Protection Act are met independently without reference to this Addendum.
10. Except as otherwise provided in this Addendum, all the other terms, covenants and agreements in the Agreement shall remain the same, and the Agreement, as amended, shall continue in full force and effect. To the extent this Addendum is inconsistent with any terms or conditions of the Agreement or the Attachments thereto, the terms of this Addendum shall govern.

[Signature Page Follows]

IN WITNESS WHEREOF, Franchisor and Franchisee have executed this Addendum as of the date of the Agreement.

**SELLER**  
GNC HOLDINGS, LLC

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**PURCHASER – If any Entity**

\_\_\_\_\_  
Type Entity Name Here

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**PURCHASER – Individually**

By: \_\_\_\_\_  
Name: \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_

**ESCROW AGENT (If Applicable)**

**EXHIBIT I**

**Sublease**

**SUBLEASE**

**KK#**

THIS SUBLEASE, dated as of this \_\_\_\_\_ day of \_\_\_\_\_, 2016 is by and between GNC Holdings, LLC, a Delaware limited liability company ("Sublessor") and \_\_\_\_\_, a \_\_\_\_\_ ("Sublessee").

**WITNESSETH**

WHEREAS, Sublessor is the Lessee of a certain Lease dated \_\_\_\_\_, as may be amended (collectively, the "Overlease") a copy of which is annexed hereto as Exhibit A and expressly made a part hereof, with \_\_\_\_\_ ("Overlandlord") having its principal address at \_\_\_\_\_.

WHEREAS, Sublessee desires to sublet from Sublessor the certain premises containing \_\_\_\_\_ square feet in the Shopping Center known as \_\_\_\_\_ situated in \_\_\_\_\_, as further described in the Overlease, upon the terms and conditions hereinafter set forth.

NOW THEREFORE, in consideration of the provisions hereof, Sublessor and Sublessee do hereby covenant and agree as follows:

**1. Premises and Term**

Sublessor hereby subleases to Sublessee, and Sublessee hereby rents from Sublessor, the premises described in the Overlease (the "Premises") for the remaining term of the Overlease, including any extensions and renewals thereof (the "Term"), and expiring on the expiration date or on such earlier date upon which said term may expire or be canceled or terminated pursuant to any of the provisions of the Overlease or this Sublease upon and subject to the covenants, agreements, terms and conditions herein contained.

**2. Charges**

A. The Minimum Rent shall commence on the date hereof ("Rent Commencement Date") and shall be payable in accordance with the Overlease.

Sublessee agrees to pay the Minimum Rent in advance on the first day of each and every calendar month during said Term. Minimum Rent for any period less than a calendar month shall be prorated and adjusted as set forth in the Overlease. Sublessee covenants to pay the Minimum Rent and other charges herein reserved or payable to Sublessor at the office of Sublessor or at such other place as Sublessor may designate, by prior written notice, in lawful money of the United States of America, without demand therefor and without any deduction, setoff or abatement whatsoever, except as expressly provided or incorporated by reference in this Sublease.

B. In addition to the Minimum Rent, Sublessee shall pay to Sublessor any and all real estate taxes, insurance, maintenance, repair, dues, trash removal costs, utilities, percentage rent or other costs relating to the Premises as they are due and payable under the Overlease, beginning on and continuing with the dates set forth in the Overlease.

C. Sublessee shall make all payments required to be made by Sublessor under the Overlease, including, without limitation, any charges that the Overlandlord makes as a condition to consenting to this Sublease.

D. In the event that Sublessee fails to pay Minimum Rent or any other charges due hereunder, Sublessee shall pay 1.5% of the amount due calculated on the basis of a 30-day month and prorated over the number of days beyond the due date until such payment is received by Sublessor.

### 3. Use of Premises

Sublessee expressly covenants, represents, warrants and agrees that the Premises shall be used and occupied only for the purposes set forth in the Overlease. Violation of this covenant shall be deemed a material breach of this Sublease. In the event of a breach by Sublessee, Sublessor shall have the right to invoke any and all remedies under this Sublease and any remedies allowed by law or in equity by reason of such breach by Sublessee.

### 4. Provisions of Overlease

Sublessee hereby assumes all of the responsibilities and obligations on the part of the Sublessor to be performed under the Overlease with respect to the Premises after the commencement of the Sublease Term, except for payment of rent and except as modified in this Sublease. Except as otherwise expressly provided in this Sublease, all of the terms, provisions, covenants and conditions contained in the Overlease, and such rights and obligations as are contained in the Overlease, are hereby imposed upon the respective parties hereto, with Sublessor being substituted for the Overlandlord in said Overlease, with the Sublessor having all of the rights, remedies and powers of the Overlandlord as set forth in the Overlease, and the Sublessee being substituted for the Lessee in the Overlease, with the Sublessee having all the rights, obligations and duties of the Lessee as set forth in the Overlease, it being distinctly understood and agreed, however, that Sublessee shall not have the right to seek to assign or sublet this Sublease without the consent of Sublessor.

Notwithstanding anything to the contrary set forth herein, it is understood and agreed that any rights to terminate the Overlease because of failure to achieve a specified level of sales in a particular year, or any rights contained in the Overlease to exercise any options or renew or extend the term of the Overlease are personal to Sublessor. Accordingly, the decision as to whether to exercise any such right shall be entirely within the discretion of Sublessor and shall not in any way be made by Sublessee.

Sublessor shall not be bound by any warranties and representations made by the Overlandlord in the Overlease, nor shall Sublessor be obligated to perform any of the terms, covenants, conditions and agreements in the Overlease required to be performed by the Overlandlord, and Sublessee agrees to look solely to the Overlandlord for the performance of the same. However, Sublessor covenants that it will pay Minimum Rent and all additional charges to the Overlandlord as provided in the Overlease.

In the event the Overlease is terminated pursuant to its terms for any reason, this Sublease shall automatically cease and terminate as of the date upon which the Overlease is so terminated. Upon termination of the Overlease, all Minimum Rent and additional charges provided for in this Sublease shall be prorated as of the date of such termination, and all Minimum Rent and additional charges owing to the Sublessor hereunder shall be paid to the Sublessor, prorated as aforesaid, and thereafter, neither party shall have any further obligation to the other thereafter arising under this Sublease, except for those obligations which by their terms and/or nature survive the termination of this Sublease.

Sublessee hereby indemnifies and agrees to hold harmless Sublessor against any and all claims, expenses, loss and damage, including without limitation, attorney's fees and disbursements, which may, at any time be asserted by Overlandlord against Sublessor for failure of Sublessee to perform any of the covenants, agreements, terms provisions, or conditions contained in the Overlease, which by reason of the provisions of this Sublease, Sublessee is obligated to perform

Notwithstanding anything to the contrary in this Sublease, if Sublessee, after ten (10) days' written notice from Sublessor, fails to correct a condition caused by Sublessee which Sublessor in its sole discretion determines would place Sublessor in default under the Overlease, Sublessor shall have the immediate right to correct the condition at the sole cost and expense of Sublessee, which amount, together with interest thereon at a rate of 12% per annum shall be payable by Sublessee to Sublessor on demand.

#### **5. Sublessor Not Liable for Acts of Overlandlord**

Notwithstanding anything in this Sublease to the contrary, Sublessor shall not be liable for any of the obligations, duties, responsibilities or liabilities of the Overlandlord under the Overlease or for the failure or any delay by the Overlandlord to perform or discharge the same. Whenever the consent or approval or other action on the part of the Sublessor is required hereunder, Sublessor shall not be obligated or required to give any such consent or approval, or to take any action in the event the consent or approval or other action of the Overlandlord under the Overlease is also required by the provisions of the Overlease, unless and until the Overlandlord under the Overlease shall have given such consent or approval or taken such action. As between Sublessor and Sublessee, Sublessor shall not be obligated to take any action by reason of any matter relating to the construction, operation or maintenance, repair, replacement or restoration of the Premises or of any facilities or services thereof.

#### **6. Brokers**

Sublessee and Sublessor represent that they have not dealt with any broker or brokers in connection with this Sublease. Sublessee and Sublessor hereby indemnify and hold each other harmless from all liability to any broker claiming to have acted on behalf of Sublessee or Sublessor or their respective representatives.

#### **7. Condition of Premises**

Except as specifically set forth herein, and based upon the fact that Sublessee is accepting the Premises in an "as is" condition, neither Sublessor nor Sublessor's agents have made any representations or promises with respect to the Premises or the equipment and improvements therein situated or the physical condition thereof. Sublessee accepts the Premises in an "as is" condition.

Neither Sublessor nor Sublessor's agents have made any representations or promises with respect to the Premises or the Overlease including, but not limited to, the physical condition of the building or the equipment or improvements therein, the land upon which it is erected, the rents, leases, expenses of operation, or any other matter or thing affecting or related to the Premises, except as herein expressly set forth, and no rights, easements or licenses are acquired by Sublessee by implication or otherwise except as expressly set forth in the provisions of the Sublease. Sublessee acknowledges that the taking of possession of the Premises by Sublessee shall be conclusive evidence that the Premises and the building of which the same form a part are in good and satisfactory condition at the time such possession was so taken, except as otherwise provided herein and except for latent defects, if any. Sublessor shall be under no obligation to make and/or pay for any alterations, additions, installations, substitutions, improvements or decorations to the Premises.

## 8. Sublessee's Rights Against Overlandlord

Sublessor agrees that in the event Overlandlord fails or refuses to comply with any provision of the Overlease affecting the Premises or any part thereof or the access to or use or occupancy thereof, then Sublessee shall have the right, but shall not be obligated in its own name or as the true and lawful representative of Sublessor in Sublessor's name, but at Sublessee's sole cost and expense, to require and obtain performance by Overlandlord pursuant to the terms of the Overlease. Sublessor covenants and agrees that in the event of such failure or refusal by Overlandlord, provided that the same shall be without cost or expense to it, and is requested by Sublessee, Sublessor shall join in and give its full cooperation and assistance to any action or proceeding in connection with or resulting from Overlandlord's failure or refusal to comply with any of the terms, covenants and conditions of the Overlease affecting the Premises or the access to or the use or occupancy thereof.

## 9. Overlease Audits

Sublessor may (but is not obligated to) conduct periodic audits of Common Area Maintenance (CAM) charges and other charges under the Overlease. Sublessee shall provide or make available such records and information as may be necessary for Sublessor to conduct and complete such audits. Sublessor agrees to pass on any savings resulting from such audits to Sublessee; provided, that Sublessor shall be entitled to retain, or invoice Sublessee for, as the case may be, an amount equal to Thirty Percent (30%) of any such savings. Sublessee agrees to pay any invoice in accordance with its terms.

## 10. Sublessor's Services

To the extent and only to the extent that the Overlandlord, pursuant to the provisions of the Overlease, shall furnish services to or for the benefit of the Premises under the Overlease without additional charge or rental, Sublessee shall be entitled to receive such services to and for the benefit of the Premises without additional charge or rental. Sublessee agrees to look solely to the Overlandlord for the rendition of such services or of any other services provided in this Sublease, and Sublessor shall not be liable to Sublessee for any loss, damage or expense resulting from any failure of the Overlandlord to furnish such services, unless due to the acts of misconduct on the part of the Sublessor as Lessee under the Overlease.

## 11. Consents of Overlandlord

Whenever Sublessee wishes to do something to or affecting the Premises or any part thereof which requires the consent of the Overlandlord, or whenever the consent of the Overlandlord is required under the Overlease with respect to any matter affecting the Premises or any part thereof, upon request from Sublessee, Sublessor will request such consent from the Overlandlord. In the event, however, that Overlandlord shall refuse to grant such consent, Sublessor shall have no liability to the Sublessee hereunder, nor shall the rent abate, nor shall the obligations of the parties hereto to each other be affected by reason thereof.

## 12. Communications from Overlandlord

Sublessor shall deliver to Sublessee copies of all notices, requests or demands which relate to the Premises promptly after receipt thereof from Overlandlord as provided in paragraph 12 hereinbelow.

## 13. Sublessor's Rights

Sublessor shall maintain the right during the entire term of the Sublease and subsequent term hereof, to require Sublessee, in Sublessor's sole discretion, at Sublessee's cost to change locations within

the Shopping Center, increase or decrease the square footage of the Premises, modify the rent or other charges, add, reduce or eliminate any radius clause, purchase or install fixtures that conform to Sublessor's then current design, install or upgrade equipment, including without limitation a point of sale cash register system or other equipment then currently in use by other of the Sublessor's subtenants, take on additional expenses and otherwise agree to any and all modifications that Sublessor deems appropriate in the best interest of both Sublessor and Sublessee. In addition, it shall be in Sublessor's sole discretion to amend the Overlease, renew and/or extend the Sublease and/or exercise any option period pursuant to the terms stated in the Overlease and Sublessee shall be bound by the terms thereof. Sublessor shall have no duty or obligation to exercise any option to renew or otherwise renew the Overlease. Sublessor or its affiliate shall have the right to enter the Premises to cure a default under the Franchise Agreement between Sublessor and Sublessee or under this Sublease and to take such necessary reasonable actions to protect Sublessor's proprietary marks and franchise system. Sublessee shall not enter into ongoing contractual agreements directly with the Landlord, such as Pylon Sign Agreements, Merchant Association Agreements, and Storage Space Agreements. The right to enter into those agreements is exclusive to Sublessor.

#### 14. Notices

NOTICES. Any and all notices required or permitted under this Agreement shall be in writing and shall be sent by (i) personal delivery, (ii) U.S. certified or registered mail, postage prepaid, return receipt requested, (iii) nationally recognized overnight courier service, or (iv) electronic mail (including PDF), to the respective parties at the addresses set forth below, unless and until a different address has been designated by written notice to the other party in the manner set forth herein. Any such notice shall be deemed to have been given (i) if personally delivered, upon delivery (or delivery refused), (ii) if sent by U.S. certified or registered mail, three (3) days after mailing, (iii) if sent by overnight courier service, on the date of the first attempted delivery, or (iv) if sent by electronic mail, on the date of transmission, provided that the sender has received a delivery confirmation generated by the sender's email system which indicates that the email was delivered to the recipient's email address, in each case excluding Sundays and national holidays and regardless of whether the party refuses delivery or is no longer at the address for notice.

To Sublessor: GNC Holdings, LLC  
75 Hopper Place, Suite 501  
Pittsburgh, PA 15222  
Attention: Real Estate Counsel  
KK #

To Sublessee:  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

#### 15. Default of Sublessee

In the event of: (i) any failure of Sublessee to pay any rental or other charges within the period set forth both herein and in the Overlease; or (ii) any failure to perform any other of the terms, conditions or covenants of this Sublease or the Overlease to be observed or performed by Sublessee for more than the period set forth in the Overlease; or (iii) if Sublessee or an agent of Sublessee shall willfully falsify any statement or certificate required to be furnished to Sublessor pursuant to the terms of this Sublease; or (iv) if Sublessee shall become bankrupt or insolvent, or file any debtor proceedings, or take or have taken against Sublessee in any court pursuant to any statute either of the United States or of any State a petition in bankruptcy or insolvency, or for reorganization or for the appointment of receiver or trustee of all or a

portion of Sublessee's property; or (v) if Sublessee makes an assignment for the benefit of creditors; or (vi) if Sublessee shall abandon the Premises, or suffers this Sublease to be taken under any writ of execution; or (vii) if Sublessee's franchise agreement is terminated, then Sublessor, in addition to any other rights or remedies it may have, shall have the immediate right of re-entry and may remove all persons and property from the Premises, and such property may be removed and stored in a public warehouse, or elsewhere at the cost of and for the account of Sublessee, without being guilty of trespass or becoming liable for any loss or damage which may be occasioned thereby unless occasioned by the act, omission or negligence of Sublessor.

It is understood and agreed that upon any default by Sublessee or any corporation, limited liability company or limited partnership owned or controlled by Sublessee under any franchise agreement with Sublessor, for the Premises or any default by Sublessee under any of the terms of the Overlease, this Sublease shall be subject to termination immediately upon Sublessor's written notice to Sublessee.

Should Sublessor elect to reenter, as herein provided, or should it take possession pursuant to legal proceedings or pursuant to any notice provided by law, it may either terminate this Sublease, or it may from time to time, without terminating this Sublease, make such alterations and repairs as may be necessary in order to relet the Premises, and relet said Premises or any part thereof for such term or terms (which may not be for a term extending beyond the term of this Sublease) and at a commercially reasonable rental, and upon such other terms and conditions as Sublessor in its sole discretion may deem advisable. The failure of Sublessor to relet the Premises or any part or parts thereof shall not release or affect Sublessee's liability for damages; however, Sublessor covenants it will use commercially reasonable efforts to relet the Premises at a commercially reasonable rent. Upon each such reletting, all rentals received by the Sublessor from such reletting shall be applied first to the payments of any indebtedness other than rent due hereunder from Sublessee to Sublessor; second, to the payment of any costs and expenses of such reletting, including brokerage fees and reasonable attorneys' fees and of costs of any repairs; third, to the payment of rent due and payable hereunder from the date last paid to the Expiration Date. If such rental received from such reletting during any month is less than that to be paid during that month by Sublessee hereunder, Sublessee shall pay any such deficiency to Sublessor.

Any suit brought to collect the amount of the deficiency for any month shall not prejudice in any way the rights of Sublessor to collect the deficiency for any subsequent month by a similar proceeding.

In the event of a breach by Sublessee of any of the covenants or provisions hereof, Sublessor shall have the right to invoke any remedy as provided herein or as allowed at law or in equity. Mention in this Sublease of any particular remedy shall not preclude Sublessor from any other remedy at law or in equity.

No such reentry or taking possession of said Premises by Sublessor shall be construed as an election on its part to terminate this Sublease for such previous breach. Should Sublessor at any time terminate this Sublease for any breach, in addition to any other remedies it may have, it may recover from Sublessee all damages it may incur by reason of such breach, including the cost of recovering the Premises, reasonable attorneys' fees, and the amount of rent and charges equivalent to rent reserved in this Sublease for the remainder of the stated term plus interest and costs.

## **16. Confession of Judgment**

**IN ADDITION TO, AND NOT IN LIEU OF ANY OF THE RIGHTS GRANTED HEREIN TO SUBLESSOR, TO THE FULLEST EXTENT ALLOWED BY LAW, SUBLESSOR SHALL HAVE THE FOLLOWING RIGHTS TO CONFESS JUDGMENT AGAINST SUBLESSEE AND ALL PERSONS CLAIMING THROUGH SUBLESSEE, FOR POSSESSION OF THE PREMISES:**

(a) When this Sublease shall be terminated by reason of a default by Sublessee or any other reason whatsoever, either during the Term or any renewal or extension thereof, and also when the Term or any extension thereof shall have expired, it shall be lawful for any attorney as attorney for Sublessee to confess judgment in ejectment in any competent court against Sublessee and all persons claiming under Sublessee for the recovery by Sublessor of possession of the Premises, for which this Sublease shall be Sublessor's sufficient warrant. Upon such confession of judgment for possession, if Sublessor so desires, a writ of execution or of possession may issue forthwith, without any prior writ or proceedings whatsoever. If for any reason after such action shall have been commenced, the same shall be determined and the possession of the Premises shall remain in or be restored to Sublessee, then Sublessor shall have the right upon any subsequent or continuing default or defaults, or after expiration of the Sublease, or upon the termination of this Sublease as hereinbefore set forth, to confess judgment in ejectment against Sublessee as hereinbefore set forth to recover possession of the Premises.

(b) In any action of ejectment or other amount due under this Sublease, Sublessor shall cause to be filed in such action an affidavit made by Sublessor or someone acting for Sublessor setting forth the facts necessary to authorize the entry of judgment, of which facts such affidavit shall be conclusive evidence. If a true copy of this Sublease shall be filed in such action (and of the truth of the copy such affidavit shall be sufficient evidence), it shall not be necessary to file the original Sublease as a warrant of attorney, any rule of court, custom or practice to the contrary notwithstanding.

(c) The right to enter judgment against Sublessee and to enforce all of the other provisions of this Sublease herein provided for, at the option of any assignee of this Sublease, may be exercised by any assignee of Sublessor's right, title and interest in this Sublease in Sublessee's own name, and all supplements and amendments thereto.

#### 17. Jury Trial Waiver

SUBLESSOR AND SUBLESSEE AGREE THAT IN ANY LITIGATION, SUIT, ACTION, COUNTERCLAIM, OR OTHER PROCEEDING WHETHER AT LAW OR IN EQUITY, WHICH ARISES OUT OF, CONCERNS, OR RELATES TO THIS SUBLEASE, ANY AND ALL TRANSACTIONS CONTEMPLATED HEREUNDER, THE PERFORMANCE OF THIS SUBLEASE, OR OTHERWISE, TRIAL SHALL BE TO A COURT OF COMPETENT JURISDICTION AND NOT TO A JURY. SUBLESSOR AND SUBLESSEE HEREBY IRREVOCABLY WAIVE ANY RIGHT EITHER PARTY MAY HAVE TO A TRIAL BY JURY. EITHER SUBLESSOR OR SUBLESSEE MAY FILE AN ORIGINAL COUNTERPART OR A COPY OF THIS SUBLEASE WITH ANY COURT AS WRITTEN EVIDENCE OF THE CONSENT OF SUBLESSOR AND SUBLESSEE OF THE WAIVER OF THEIR RIGHT TO TRIAL BY JURY.

#### 18. Forum Selection

The parties agree that any action brought by Sublessee against Sublessor in any court, whether federal or state, shall be brought only within the Commonwealth of Pennsylvania in the judicial district in which Sublessor has its principal place of business; and the parties waive all questions of personal jurisdiction or venue for the purpose of carrying out this provision. The parties also agree that the Sublessor may, in its sole discretion, bring any action against Sublessee in any court, whether federal or state within either (a) the Commonwealth of Pennsylvania; or (b) in any jurisdiction in which the subleased Premises is located. If Sublessor brings an action against Sublessee in any state or federal court so located, Sublessee accepts generally and unconditionally the jurisdiction and venue of the aforesaid courts and waives any defense of forum non conveniens.

## **19. Successors and Assigns**

The covenants, conditions and agreements contained in this Sublease shall bind and insure to the benefit of Sublessor and Sublessee and their respective successors and legal representatives and, except as otherwise provided in this Sublease, their assigns. Sublessee shall not have the right to assign this Sublease to a corporation controlled by Sublessee without Sublessor's written consent. In the event Sublessor consents to such assignment, Sublessee shall remain liable on this Sublease. All issued shares of such corporation must be pledged to Sublessor.

## **20. Severability**

If any term or provision, or any portion thereof of this Sublease, or the application thereof to any person or circumstances shall, to any extent, be invalid or unenforceable, or would cause this transaction to be construed as other than a sublease, the remainder of this Sublease, or the other application of such term or provision, shall not be affected thereby, and each term and provision of this Sublease shall be valid and enforced to the fullest extent permitted by law.

## **21. Overlease**

Provided Sublessee duly and punctually performs its obligations set forth in this Sublease, Sublessor expressly agrees to perform and conform to the terms, covenants and conditions of the Overlease. All capitalized terms not defined herein shall have the meanings in the Overlease.

## **22. Entire Agreement**

There are no representations, covenants, warranties, promises, agreements, conditions or undertakings, oral or written, between Sublessor and Sublessee other than herein set forth; provided, that nothing in this Sublease is intended to disclaim the representations made in Sublessor's Franchise Disclosure Document. Except as herein otherwise provided, no subsequent alteration, amendment, change or addition to this Sublease shall be binding upon Sublessor or Sublessee unless in writing and signed by both parties.

## **23. Modifications**

Sublessor hereby reserves the right to periodically prescribe specific restrictions and requirements upon the Sublessee with regard to the day-to-day operations of the store, including, but not limited to, the hours of operation, delivery of product and security requirements.

IN WITNESS WHEREOF, Sublessor and Sublessee have caused this Sublease to be executed and delivered the day and year first above written.

WITNESSES: \_\_\_\_\_ GNC HOLDINGS, LLC

By: \_\_\_\_\_ By: \_\_\_\_\_  
\_\_\_\_\_ Witness

By: \_\_\_\_\_  
\_\_\_\_\_ Witness

WITNESSES: \_\_\_\_\_ [SUBLESSEE]

By: \_\_\_\_\_ By: \_\_\_\_\_  
\_\_\_\_\_ Witness \_\_\_\_\_ President

By: \_\_\_\_\_ By: \_\_\_\_\_  
\_\_\_\_\_ Witness \_\_\_\_\_ Vice President

**EXHIBIT J**

**P.O.S. License Agreement**

**P.O.S. PROGRAM LICENSE AGREEMENT**

THIS P.O.S PROGRAM LICENSE AGREEMENT (this “Agreement”) is by and between GNC Holdings, LLC (“Licensor”), the address of which is 75 Hopper Place, Suite 501, Pittsburgh, PA 15222, and \_\_\_\_\_ (“Licensee”), whose address is \_\_\_\_\_.

WHEREAS, Licensor and Licensee entered into a Franchise Agreement dated \_\_\_\_\_, 20\_\_\_\_ (“Franchise Agreement”), pursuant to which Licensor granted to Licensee the right to operate a General Nutrition Center franchise (“Franchise”);

WHEREAS, Licensor owns that certain Point of Sale System Software Program (“Program”) which is used in connection with the operation of a computerized cash collection and data processing system;

WHEREAS, Licensee desires to receive a license to use the Program in accordance with the terms of this Agreement and the Franchise Agreement;

NOW THEREFORE, in consideration of the mutual benefits of the covenants and restrictions contained herein, the parties agree as follows:

1. DEFINITIONS.

Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Franchise Agreement.

2. GRANT OF LICENSE.

Licensor grants Licensee a nontransferable, nonexclusive license during the term of this Agreement to use the Program on the POS System at the Approved Location exclusively for the purposes set forth in the Franchise Agreement, subject to the terms and conditions of this Agreement. Legal title to the Program and its documentation, including, without limitation, all ownership rights to patents, copyrights, trademarks, and trade secrets in connection therewith, shall be and remain in Licensor as its sole property.

3. PERIODIC UPDATES.

From time to time, Licensor may send Licensee updates to the POS System either electronically or by disc. Licensee shall install each update within thirty (30) days after the date that each such update is provided by Licensor. These updates may contain updates to sales tax percentages or categories which may override information input by Licensee. Licensor does not warrant the accuracy of the Program data or these updates, and Licensee hereby agrees that it is solely liable and responsible for the accuracy of any information, including, without limitation, tax information, in the POS System.

4. AUTHORIZED USE.

Licensee may only use the Program on a POS System which includes the hardware and software designated by Licensor, and agrees to such use only in conjunction with the Franchise and for the mutual benefit of Licensee and Licensor. The parties agree that the Program is proprietary, confidential information of Licensor. Licensee agrees that the Program and all related data, whether oral or written, constitutes a valuable asset and trade secret of Licensor and will be held in the strictest confidence.

Licensee Initials \_\_\_\_\_

Licensee shall prevent unauthorized users from accessing the Program and shall prevent unauthorized access to the Program. Licensee shall ensure that its employees comply with the terms of this Agreement. Licensee shall promptly inform Licensor of any unauthorized access (or suspected unauthorized access) and unauthorized users (or suspected unauthorized users) of which Licensee has knowledge or suspicion. Licensee shall only use the Program on the System at the Approved Location in accordance with the terms and conditions and for the purposes set forth herein and in the Franchise Agreement.

5. PROHIBITED USE.

LICENSEE MAY NOT COPY, MODIFY, OR TRANSFER THE PROGRAM IN WHOLE OR IN PART. LICENSEE MAY NOT INSTALL ANY OTHER SOFTWARE WITH THE POS SYSTEM. LICENSEE MAY NOT TRANSFER POSSESSION OF THE PROGRAM TO ANOTHER PARTY. LICENSEE SHALL NOT DECOMPILE, DISASSEMBLE OR OTHERWISE REVERSE ENGINEER THE PROGRAM AND SHALL NOT ALLOW THE PROGRAM TO BE DECOMPILED, DISASSEMBLED OR OTHERWISE REVERSE ENGINEERED. IN THE EVENT OF A VIOLATION OF THIS SECTION 5, THIS AGREEMENT SHALL AUTOMATICALLY TERMINATE.

6. LICENSOR ACCESS.

Licensee shall enable and provide Licensor with remote network access to the POS System for purposes of accessing the Program on the POS System to assess Licensee's compliance with this Agreement and the Franchise Agreement. Licensee hereby authorizes Licensor to access the POS System, the Program and such data in accordance with the foregoing sentence and the Franchise Agreement. Licensee acknowledges that the Program may periodically remotely access Licensor's computer system for purposes of transmitting data pertaining to use of the Program to enable Licensor to assess Licensee's compliance with this Agreement and for purposes of the Franchise Agreement. Licensor shall permit and enable such access.

7. ADDITIONAL RESPONSIBILITIES.

Licensee shall be responsible for obtaining and maintaining all computers, hardware, connectivity and third-party software, including any operating system software, database software and applications software, required for use of the Program by Licensee. Licensee shall also be responsible for taking reasonable backup precautions. Licensor shall not be responsible for loss of data or documentation, whether or not attributable to the Program.

8. TERM AND TERMINATION.

This Agreement shall be effective on the Effective Date as defined in the Franchise Agreement and the term hereof shall be coterminous with that of the Franchise Agreement, unless sooner terminated as set forth herein. If Licensee violates its obligations under this Agreement, Licensor may cancel this Agreement by sending written notice of termination describing the noncompliance to Licensee. At the option of Licensor, in its sole discretion, Licensor may grant Licensee a period of thirty (30) days to cure such default. In such event, if Licensee cures the default to the satisfaction of Licensor within such thirty (30) day period, this Agreement shall not terminate due to such default.

9. RETURN OF PROGRAM AND DOCUMENTATION.

Upon termination or cancellation of this Agreement, the license granted under this Agreement shall terminate, and Licensee shall immediately cease and desist all access to and use of the Program and its

Licensee Initials \_\_\_\_\_

documentation; if directed by Licensor, promptly erase (at Licensee's expense) the Program from the POS System; return to Licensor all copies of the Program and its documentation; and provide Licensor with a certificate of compliance with this Section 9 signed by an authorized representative of Licensee. Licensee acknowledges that the Program may include authorization code, deletion and disabling routines. Licensee shall release Licensor from any claims Licensee may have or accrue in connection with deauthorization, deletion or disablement.

10. WARRANTY.

THE PROGRAM IS PROVIDED "AS IS" WITHOUT WARRANTY OF ANY KIND, EITHER EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. LICENSOR ALSO DOES NOT WARRANTY WHETHER THE PROGRAMMED INFORMATION COMPLIES WITH THE LAWS OF YOUR STATE OR LOCALITY. THE ENTIRE RISK AS TO THE ACCURACY, QUALITY AND PERFORMANCE OF THE PROGRAM IS WITH LICENSEE. SHOULD THE PROGRAM PROVE DEFECTIVE, LICENSEE ASSUMES THE ENTIRE COST OF ALL NECESSARY SERVICING, REPAIR OR CORRECTION. LICENSOR SPECIFICALLY DISCLAIMS AND LICENSEE HEREBY WAIVES ANY WARRANTIES THAT THE OPERATION OF THE PROGRAM WILL BE UNINTERRUPTED OR ERROR FREE. LICENSEE HEREBY ACKNOWLEDGES AND AGREES THAT LICENSOR (INCLUDING ITS OFFICERS, EMPLOYEES, AGENTS, DIRECTORS, INDEPENDENT CONTRACTORS AND AFFILIATES) HAS NOT MADE OR GRANTED ANY EXPRESS WARRANTIES CONCERNING THE PROGRAM.

11. LIMITATION OF REMEDIES.

LICENSOR'S ENTIRE LIABILITY AND LICENSEE'S EXCLUSIVE REMEDY SHALL BE TO REPAIR OR REPLACE THE PROGRAM. IN NO EVENT WILL LICENSOR BE LIABLE TO LICENSEE FOR ANY DAMAGES, INCLUDING ANY LOST PROFITS, LOST SAVINGS OR OTHER INCIDENTAL OR CONSEQUENTIAL DAMAGES ARISING OUT OF THE USE OR INABILITY TO USE SUCH PROGRAM EVEN IF LICENSOR HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, OR FOR ANY CLAIM BY ANY OTHER PARTY.

12. SYSTEM UPGRADES; MAINTENANCE.

Licensee assumes the entire cost for any upgrades and maintenance to the Program and/or hardware. Licensor shall determine, in its sole discretion, the cost and timing of all said upgrades and maintenance. If Licensee refuses to implement any upgrade or comply with any of Licensor's maintenance requirements, Licensor may, in its sole discretion, terminate this Agreement on written notice to Licensee.

13. MODIFICATIONS.

Licensee shall not modify, adapt or prepare derivative works based on the Program and shall not allow the Program to be modified or adapted or derivative works to be prepared without the prior written consent of Licensor. Licensee shall not use the Program or any materials incident thereto to develop computer software without the prior written consent of Licensor. If the Program is modified, adapted or derivative works are prepared, such modifications, adaptations and derivative works shall be the sole and exclusive property of Licensor and Licensor shall exclusively own any and all rights, title and interests thereto, and Licensee shall, assign all of its rights, title and interests therein to Licensor.

Licensee Initials \_\_\_\_\_

14. ASSIGNMENT.

Licensee may not sublicense, assign or transfer this Agreement or the Program. Any attempt to sublicense, assign or transfer any of the rights, duties or obligations hereunder is void.

15. PROPRIETARY NOTICES.

Licensee shall not remove, alter or obscure any patent, copyright or trademark notice or other proprietary legends displayed or used by Licensor in connection with or related to the Program.

16. APPLICABLE LAW, SEVERABILITY AND MODIFICATION.

This Agreement will be governed by the laws of the Commonwealth of Pennsylvania, excluding the conflicts of law principles thereof. Any invalidity, in whole or in part, of any provision of this Agreement shall not affect the validity of any other of its provisions. No provision of this Agreement shall be considered modified by either party unless the modification is made in writing and signed by both parties.

17. FORUM SELECTION.

Licensee and Licensor agree that any action brought by Licensee against Licensor in any court, whether federal or state, shall be brought only within the Commonwealth of Pennsylvania in the judicial district in which Licensor has its principal place of business, provided further that, if there is subject matter jurisdiction, such action shall only be brought in the federal district courts of the Western District of Pennsylvania; and the parties waive all questions of personal jurisdiction or venue for purposes of carrying out this provision.

18. WAIVER OF JURY TRIAL.

**Licensee and Licensor agree that in any litigation, suit, action, counterclaim or proceeding, whether at law or in equity, which arises from, concerns or is related to this Agreement, trial shall be held in a court of competent jurisdiction but not to a jury. Licensee and Licensor hereby irrevocably waive any right either party may have to a trial by jury.**

19. WAIVER OF CONDITIONS.

The waiver, modification, or failure to insist by Licensor on any conditions shall not void, waive, or modify any of the other terms or conditions nor be construed as a waiver or relinquishment of Licensor's right to performance of any such term or terms.

Licensee Initials 20.

20. NOTICES.

Any and all notices required or permitted under this Agreement shall be in writing and shall be sent by (i) personal delivery, (ii) U.S. certified or registered mail, postage prepaid, return receipt requested, (iii) nationally recognized overnight courier service, or (iv) electronic mail (including PDF), to the respective parties at the addresses set forth on the signature page of this Agreement, unless and until a different address has been designated by written notice to the other party in the manner set forth herein. Any such notice shall be deemed to have been given (i) if personally delivered, upon delivery (or delivery refused), (ii) if sent by U.S. certified or registered mail, three (3) days after mailing, (iii) if sent by overnight courier service, on the date of the first attempted delivery, or (iv) if sent by electronic mail, on the date of transmission, provided that the sender has received a delivery confirmation generated by the sender's email system which indicates that the email was delivered to the recipient's email address, in each case excluding Sundays and national holidays and regardless of whether the party refuses delivery or is no longer at the address for notice.

~~NOTICES.~~

~~Whenever notice is required or permitted to be given under the terms of this Agreement, it shall be given in writing, and be delivered personally, by certified mail, return receipt requested or by a nationally or internationally recognized overnight delivery service (e.g., Federal or Airborne Express), postage prepaid, addressed to the party to be notified at the respective address first above written, or at such other address or addresses as the parties may from time to time designate in writing. Notices shall be deemed delivered on the date shown on the return receipt or in the delivery service's records as the date of delivery or on the date of first attempted delivery, if actual delivery cannot for any reason be made.~~

~~Licensee Initials~~

21. RELATIONSHIP OF PARTIES.

It is agreed that the relationship of Licensor and Licensee is primarily that of licensor and licensee. Nothing herein shall be construed as creating a partnership, an employment relationship or an agency relationship between the parties, or as authorizing either party to act as agent for the other.

22. EQUITABLE REMEDIES.

The parties hereby acknowledge that damages at law may be an inadequate remedy to Licensor. Licensor shall have the right to specific performance, an injunction or other equitable remedy in the event of a breach or threatened breach of this Agreement by Licensee.

23. ACKNOWLEDGMENT.

LICENSEE AGREES THAT THIS AGREEMENT IS THE COMPLETE AND EXCLUSIVE STATEMENT OF THE AGREEMENT BETWEEN LICENSOR AND LICENSEE WHICH SUPERSEDES ANY PROPOSAL OR PRIOR AGREEMENT, ORAL OR WRITTEN, AND ANY OTHER COMMUNICATIONS BETWEEN LICENSOR AND LICENSEE RELATING TO THE SUBJECT MATTER OF THIS AGREEMENT. Notwithstanding the foregoing, nothing herein shall affect the validity of or act to modify the terms of the Franchise Agreement, which agreement shall govern in the event of any inconsistency or conflict between terms.

Licensee Initials

04/27/202306/21/2024

IN WITNESS WHEREOF, the undersigned, intending to be legally bound hereby, have hereunto set their hands as of the Effective Date.

LICENSEE

GNC HOLDINGS, LLC

By: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Title: \_\_\_\_\_

By: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Title: \_\_\_\_\_

LICENSEE ADDRESS:

LICENSOR ADDRESS:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

75 Hopper Place, Suite 501  
Pittsburgh, PA 15222  
Attention: \_\_\_\_\_

LICENSEE EMAIL ADDRESS:

LICENSOR EMAIL ADDRESS:

**EXHIBIT JK**

**Form of General Release**

## GENERAL RELEASE

For and in consideration of the Franchise Agreement dated «AgmtDate» (the “Franchise Agreement”), between the undersigned and GNC Holdings, LLC (“Franchisor”), and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the undersigned, individually and for themselves, their parents, subsidiaries, affiliates, shareholders, members, managers, partners, directors, officers, agents, servants, employees, representatives, administrators, heirs, successors and assigns, whether specifically mentioned herein or not, including, without limitation, any entity or enterprise in which the undersigned, directly or indirectly, owns an equity or profits interest or controls (the “Releasing Parties” and, individually, a “Releasing Party”), do each hereby forever release, remise, and discharge Franchisor, its predecessors, successors and assigns, parents, subsidiaries, and affiliated entities, and each of their respective managers, members, shareholders, directors, officers, employees, agents, servants, and representatives, past and present, and all other persons acting by, through, under or in concert with any of them and whether specifically mentioned herein or not (the “Released Parties” and, individually, a “Released Party”), of and from any and all claims, demands, actions, causes of action, suits, disputes, debts, dues, duties, sums of money, accounts, reckonings, covenants, contracts, agreements, promises, damages, judgments, extents, executions, costs, expenses, liabilities and obligations, of every nature, kind and character whatsoever, whether known or unknown, foreseen or unforeseen, suspected or unsuspected, direct, indirect, contingent or actual, liquidated or unliquidated, whether in contract or in tort (collectively, “Claims”) which the Releasing Parties or any one of them ever had, now have, or which they hereafter can, shall, or may have, against the Released Parties or any of them, for, upon, or by reason of, any matter, cause or thing whatsoever from the beginning of the world to the date of this General Release.

Without limiting the generality of the foregoing, but by way of example only, the foregoing release shall apply to any and all state or federal antitrust claims or causes of action; state or federal securities law claims or causes of action; state or federal RICO claims or causes of action; breach of contract claims or causes of action; claims or causes of action based on misrepresentation or fraud; breach of fiduciary duty; unfair trade practices (state or federal); and all other claims and causes of action whatsoever.

The undersigned (and each of them) further agree for themselves and for their successors and assigns, to indemnify and hold harmless forever, the Released Parties, against any and all claims or actions which hereafter may be brought or instituted against any or all of them, or their successors and assigns, by or on behalf of anyone claiming under rights derived from the undersigned, or any of them, and arising out of or incidental to the matters to which this General Release applies.

The undersigned agree that this General Release is not intended nor shall it be construed as an admission of any wrongdoing or liability and that it shall not be admissible in evidence in any suit or proceeding whatsoever as evidence or admission of any liability.

Any individual who signs this General Release in a representative capacity for a corporation, limited liability company or other entity that is a party to this General Release hereby represents and warrants that he or she is duly authorized by action of such corporation, limited liability company or other entity to execute this release on its behalf.

With respect to the matters hereinabove released, the undersigned knowingly waive all rights and protection, if any, under Section 1542 of the California Civil Code, or under any similar law of any state or territory of the United States of America. Section 1542 provides as follows:

General Release: Extent. A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of

executing the release, and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party.

The undersigned acknowledges there is a risk that, after the execution of this General Release, the undersigned will discover, incur, or suffer claims which are unknown or unanticipated at the time of execution of this General Release and which, if known by the undersigned at the time of execution, may have materially affected the undersigned's decision to execute this General Release. Nevertheless, the undersigned agrees that the undersigned intends to assume, and is assuming, the risk of such unknown or unanticipated Claims, and that the Releasing Parties' release of the Released Parties set forth in this General Release shall apply to any and all such Claims. Neither the undersigned nor any other Releasing Party has assigned, transferred or purported to assign or transfer to any other person or entity any of the Claims or any portion thereof or interest therein and agrees to indemnify, defend and hold the Released Parties harmless from and against any and all Claims based on or arising out of any such assignment or transfer or purported assignment or transfer.

This General Release shall be binding upon the undersigned and the other Releasing Parties, and their heirs, successors and legal representatives. This General Release excludes Claims arising from any representations in the Franchise Disclosure Document, or its exhibits or amendments, provided by Franchisor to the undersigned in connection with the Franchise Agreement. This General Release is not intended as a waiver of those rights of the undersigned which cannot be waived under applicable state franchise laws nor is it intended to release any Released Party from liability, if any, imposed by the Maryland Franchise Registration and Disclosure Law. This General Release shall be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania without regard to its conflicts of law provisions.

**It is the express intention of the undersigned and Franchisor that this General Release be as broad as permitted by law.**

IN WITNESS WHEREOF, the undersigned have duly executed and delivered this General Release as of **«LongDate»**.

ENTITY:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
«Entity»  
Franchisee

By:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
«Fran1»  
«Title1»

By:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
«Fran2»  
«Title2»

INDIVIDUAL(S):

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Signature:  
«Fran1», individually

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Signature:  
«Fran2», individually

**EXHIBIT L**

**Confidentiality Statement**

The information in this disclosure document is confidential and proprietary information of GNC Holdings, LLC (“GNC”) that, if disclosed, would cause irreparable competitive injury and incalculable harm to GNC. We expect that you and your attorney and accountant will regard and treat this information as confidential and proprietary and will not disclose it to third parties.

As you proceed with your research and evaluation of the ~~General Nutrition Center~~[GNC](#) Franchise Opportunity, we request that you refrain from discussions with GNC store personnel. We value our relationship with our employees and do not want an environment of distrust or uncertainty created. Information about store operations or procedures can be obtained from the Regional Sales Directors, Division Franchise Managers, GNC Franchisees or GNC Franchising personnel.

Discussions regarding a Franchise Agreement will end if confidentiality is breached.

**EXHIBIT KM**

**List of Franchisees**

EXHIBIT KM-1

List of Current Franchisees as of 12/31/~~2022~~2023

The following table contains the names, addresses and telephone numbers of every franchisee whose outlet was open as of December 31, ~~2022~~—2023. Franchisees who have signed a franchise agreement with us, but had not yet opened their outlet as of 12/31/2023, are listed separately under the heading “Franchise Agreement Signed—Outlet Not Opened as of 12/31/2023” at the end of this Exhibit M-1.

| Center No.      | Franchisee  | Center Name                           | Address  | City                  | State         | Zip              | Phone                     |
|-----------------|---|---------------------------------------|--|-----------------------|---------------|------------------|---------------------------|
| <del>1271</del> | <del>Sarah D. Coxwell, Cary D. Coxwell and Andrew W. Davis</del>  | <del>Trussville Shopping Center</del> | <del>5950 Chalkville Mountain Rd., Ste 106</del> | <del>Birmingham</del> | <del>AL</del> | <del>35235</del> | <del>(205) 655-4804</del> |
| 2742            | Sarah D. Coxwell and Cary D. Coxwell                              | Brook Highland Plaza                  | 5287 Hwy 280 East Suite 257                      | Birmingham            | AL            | 35242            | (205) 995-5121            |
| <del>1271</del> | <del>Sarah D. Coxwell, Cary D. Coxwell, and Andrew W. Davis</del> | <del>Trussville Shopping Center</del> | <del>5950 Chalkville Mountain Rd., Ste 106</del> | <del>Birmingham</del> | <del>AL</del> | <del>35235</del> | <del>(205) 655-4804</del> |
| 344             | Sarah D. Coxwell and Cary D. Coxwell                              | South Cullman Shopping Center         | 1618 2nd Ave. S.W.                               | Cullman               | AL            | 35055            | (256) 734-4331            |
| 6154            | Sarah D. Coxwell and Cary D. Coxwell                              | Jubilee Point                         | 28600 US Hwy 98 Suite F1                         | Daphne                | AL            | 36526            | (251) 626-3360            |
| 292             | Justina Ralston   | Pelican Place at Craft Farms          | 3800 Gulf Shores Parkway                         | Gulf Shores           | AL            | 36542            | (251) 948-3850            |
| 1565            | Sarah D. Coxwell and Cary D. Coxwell                              | Medical Park Station                  | 107 Brookridge Drive, Suite D                    | Madison               | AL            | 35758            | (256) 890-4083            |
| 3715            | Sarah D. Coxwell and Cary D. Coxwell                              | Hillcrest Plaza                       | 807 Hillcrest Rd.                                | Mobile                | AL            | 36695            | (251) 414-5678            |
| 8056            | Sarah D. Coxwell and Cary D. Coxwell                              | Sturbridge Shopping Center            | 7966 Vaughn Road                                 | Montgomery            | AL            | 36116            | (334) 213-2462            |
| 18              | Sarah D. Coxwell and Cary D. Coxwell                              | Northport Corners                     | 1802 MacFarland Blvd                             | Northport             | AL            | 35476            | (205) 333-3277            |
| 6543            | Marsha A. Gladfelder and Terri L. Meeks                           | Tiger Town East                       | 2199 Tiger Town Parkway, Space 19                | Opelika               | AL            | 36801            | (334) 704-0042            |
| 1125            | Sarah D. Coxwell and Cary D. Coxwell                              | Oxford Exchange                       | 650 Oxford Exchange Blvd.                        | Oxford                | AL            | 36203            | (256) 831-7021            |

| Center No.           | Franchisee  | Center Name                         | Address                             | City                    | State              | Zip                   | Phone                          |
|----------------------|---|-------------------------------------|-------------------------------------|-------------------------|--------------------|-----------------------|--------------------------------|
| 3987                 | Sarah D. Coxwell and Cary D. Coxwell  | Premier Place                       | 1941-A Cobbs Ford Road              | Prattville              | AL                 | 36066                 | (334) 358-2363                 |
| 6540                 | Sarah D. Coxwell and Cary D. Coxwell  | Eastern Shore Plaza                 | 10200 Eastern Shore Avenue          | Spanish Fort            | AL                 | 36527                 | (251) 621-6633                 |
| 6140                 | Sarah D. Coxwell and Cary D. Coxwell  | Patchwork Farms                     | 3036 Healthy Way                    | Vestavia Hills          | AL                 | 35243                 | (205) 969-7984                 |
| 3653                 | Carl A. Hughes and Christopher D. McKay   | Creekside Center                    | 2012 S. Promenade Blvd., #6         | Rogers                  | AR                 | 72758                 | (479) 631-0012                 |
| 6813                 | Deidrea R. Sederberg  | Town & Country Plaza                | 217 North Poplar St                 | Searcy                  | AR                 | 72143-6005            | (501) 279-2999                 |
| 1926                 | Cesar Arriola and Guadalupe P. Villarreal   | Mariposa West Plaza                 | 276 Mariposa Road                   | Nogales                 | AZ                 | 85621                 | (520) 761-4454                 |
| 6115                 | Patrick Flynn and Shannon L. Flynn  | Warner Ranch Plaza                  | 9880 South Rural Road #107          | Tempe                   | AZ                 | 85284                 | (480) 705-6176                 |
| <a href="#">1511</a> | <a href="#">Ghayasuddin Bhatti, Qamar Jehan, Javeed G. Bhatti and Mahreen Skoukat</a> | <a href="#">East Anaheim Center</a> | <a href="#">2050 E Lincoln Blvd</a> | <a href="#">Anaheim</a> | <a href="#">CA</a> | <a href="#">92806</a> | <a href="#">(714) 491-9228</a> |
| 1931                 | John L. Watt and Alice D. Watt  | Anaheim Hills Festival              | 8160 E Santa Ana Canyon #183        | Anaheim                 | CA                 | 92808                 | (714) 998-8823                 |
| <a href="#">1511</a> | <a href="#">Ghayasuddin Bhatti, Qamar Jehan, Javeed G. Bhatti and Mahreen Skoukat</a> | <a href="#">East Anaheim Center</a> | <a href="#">2050 E Lincoln Blvd</a> | <a href="#">Anaheim</a> | <a href="#">CA</a> | <a href="#">92806</a> | <a href="#">(714) 491-9228</a> |
| 1723                 | Moses A. Titizian and Jerry L. Ramos  | Arcadia Hub                         | 815 W. Naomi Avenue, #11            | Arcadia                 | CA                 | 91007                 | (626) 851-6566                 |
| 3164                 | Amir S. Malik   | Citrus Crossing                     | 868 E. Alostia Avenue               | Azusa                   | CA                 | 91708                 | (626) 812-4392                 |
| 6186                 | Maricela Chairez  | Park Plaza on Main Shopping Center  | 14519 Ramona Avenue - F-6           | Baldwin Park            | CA                 | 91706                 | (626) 338-1556                 |

| Center No. | Franchisee  | Center Name                              | Address                          | City          | State | Zip   | Phone          |
|------------|---|--|----------------------------------|---------------|-------|-------|----------------|
| 2267       | Javad Billoo, and Naeem M. Billoo, and Zubeda Billoo  | Media City Center                        | 201 E. Magnolia Blvd, Suite 200  | Burbank       | CA    | 91501 | (818) 845-0903 |
| 8384       | Javad Billoo, and Naeem M. Billoo, and- Zubeda Billoo | Burbank Empire Shopping Center           | 1735 N. Victory Place            | Burbank       | CA    | 91504 | (818) 558-3951 |
| 1313       | David L. Gutierrez and Edwardo P. Gutierrez           | El Paseo                                 | 2451 Rockwood Ave., Suite 122 #B | Calexico      | CA    | 92231 | (760) 357-4901 |
| 2460       | Bhavinkumar Patel                                     | Golderado Plaza                          | 3450 Palmer Drive                | Camerson Park | CA    | 95682 | (530) 676-7100 |
| 8569       | Samina Inayat   | Carson Depot                             | 226 Sepulveda Blvd #226          | Carson        | CA    | 90745 | (310) 835-8813 |
| 9576       | Samina Inayat   | Cerritos Town Center                     | 12751 L Town Center Drive        | Cerritos      | CA    | 90703 | (502) 809-6300 |
| 8801       | Muhammad Zee Azhar and Maleeha Zubair                 | The Crossroads Marketplace @ Chino Hills | 13065 Peyton Dr., Suite B        | Chino Hills   | CA    | 91709 | (909) 548-3377 |
| 8195       | Susan Reynolds-Means                                  | Clovis Commons                           | 755 West Herndon #200            | Clovis        | CA    | 93612 | (559) 297-1757 |
| 2052       | Samina Inayat   | Gateway Towne Center                     | 200 Towne Center Drive, #106     | Compton       | CA    | 90220 | (310) 764-1182 |
| 8059       | Syed R. Hussain                                       | Costa Mesa Square                        | 1460 Baker Street, Suite A       | Costa Mesa    | CA    | 92626 | (714) 434-9090 |
| 3361       | Mian Irfan and Aisha Chaudhry                         | Covina Town Square                       | 1404 N. Azusa Ave.               | Covina        | CA    | 91722 | (626) 331-6965 |
| 7784       | Samina Inayat   | Cypress Center                           | 6871 Katella Avenue              | Cypress       | CA    | 90603 | (714) 527-9303 |
| 6647       | Ruben Mojica and Catalina Mojica                      | Promenade at Downey                      | 12214 Lakewood Boulevard         | Downey        | CA    | 90242 | (562) 803-3838 |

| Center No.      | Franchisee  | Center Name                    | Address                                | City              | State         | Zip              | Phone                              |
|-----------------|---|--------------------------------|--|-------------------|---------------|------------------|------------------------------------|
| 7610            | Bhavinkumar Patel   | Broadstone Plaza               | 2791 E. Bidwell Street, Suite 300      | Folsom            | CA            | 95630            | (916) 983-6625                     |
| 3024            | Muhammad <del>Z-Zee</del> Azhar and Maleeha Zubair                    | Falcon Ridge Town Center       | 15270 Summit Avenue, Suite 200         | Fontana           | CA            | 92336            | (909) 803-2402                     |
| 1408            | <del>Susan Reynolds-Means</del> Manjinder Sangha and Kulwinder Sangha | Arbor Faire                    | 3396 W. Shaw Ave.                      | Fresno            | CA            | 93711            | (559) <del>276-0353</del> 375-1654 |
| <del>1377</del> | <del>Susan Reynolds-Means</del>                                       | <del>Fig Green Village</del>   | <del>5134 North Palm Avenue, #12</del> | <del>Fresno</del> | <del>CA</del> | <del>93704</del> | <del>(559) 225-1600</del>          |
| 1728            | Robert T. Kim and Yoonhee Kim   | Garden Promenade               | 9875 Chapman Avenue                    | Garden Grove      | CA            | 92841            | (714) 530-4081                     |
| 8070            | Samina Inayat   | Gardena Marketplace            | 1723 Artesia Blvd.                     | Gardena           | CA            | 90248            | (310) 324-7825                     |
| 3571            | Yakoob Billoo and Zarina Billoo and Mohammed Billoo and Rameez Billoo | Balboa Mission Shopping Center | 16860 San Fernando Mission Blvd        | Granada Hills     | CA            | 91344            | (818) 363-0786                     |
| 9137            | Kirtibala Shulesh Kumar Patel and Shulesh Kumar Harishbhai Patel      | Highland Avenue Plaza          | 4130 Highland Avenue, Suite B          | Highland          | CA            | 92346            | (909) 864-0677                     |
| 5616            | Syed R. Hussain   | Meadowlark Plaza               | 5255 Warner Avenue                     | Huntington Beach  | CA            | 92649            | (714) 377-0054                     |
| 2860            | Maricela Chairez  | Pacific Center                 | 5920 Pacific Blvd.                     | Huntington Pk.    | CA            | 90255            | (323) 588-7744                     |
| 1805            | Tavga Zangana and Ahmad Zangana                                       | The Crossroads                 | 3800 Barranca Parkway #M               | Irvine            | CA            | 92606            | (949) 559-5988                     |
| 2857            | Madiha Haider   | Von Karmen Plaza               | 16525 Von Karmen Avenue, Suite J       | Irvine            | CA            | 92606            | (949) 863-1490                     |
| 3946            | Ji Won Han Song and Seung Hoon Song                                   | La Habra Marketplce            | 1641 W. Imperial Highway #5-H          | La Habra          | CA            | 90631            | (562) 690-3755                     |

| Center No.                              | Franchisee  | Center Name   | Address  | City                       | State              | Zip                                       | Phone   |
|---|---|---|--|----------------------------|--------------------|---|---|
| 764                                     | Sirous Sahrai and Mojgan K. Fard  | Marketplace at Laguna Niguel                            | 27270 Alicia Parkway, Suite B  | Laguna Niguel              | CA                 | 92677                                     | (949) 448-0026  |
| 5842                                    | Ahmad Shah  | Lake Elsinore   | 31500 Grape Street #5A   | Lake Elsinore              | CA                 | 92532                                     | (909) 245-5264  |
| 506                                     | Jagjeet S. Dosanjh  | Sunwest Plaza   | 2314 W. Kettleman Lane, Suite 105                                      | Lodi                       | CA                 | 95242                                     | (209) 333-9356  |
| 231                                     | Samina Inayat   | North Los Altos Shopping Center                         | 5555 Stearns St., Suite 103  | Long Beach                 | CA                 | 90815                                     | (562) 427-6848  |
| 8800                                    | <a href="#">Samina Inayat</a>   | <a href="#">City Place</a>                              | <a href="#">245 East 5th Street</a>                                    | <a href="#">Long Beach</a> | <a href="#">CA</a> | <a href="#">90802</a>                     | <a href="#">(562) 436-7576</a>                              |
| 1709                                    | Madiha Haider   | Long Beach Town Square                                  | 2298 East Carson Street  | Long Beach                 | CA                 | 90807                                     | (562) 426-3535  |
| 8800                                    | <a href="#">Samina Inayat</a>   | <a href="#">Mosaic</a>                                  | <a href="#">100 East 4th Street</a>                                    | <a href="#">Long Beach</a> | <a href="#">CA</a> | <a href="#">90802</a>                     | <a href="#">(562) 436-7576</a>                              |
| <del>717576</del>                       | <del>Abraham Y. Kim</del><br><a href="#">Tahira Hussain Shah and Ali Rajab Shah</a> | <del>Plaza La Cienga</del><br><a href="#">Koreatown</a> | <del>4651833 S. Western Avenue</del><br><a href="#">La Cienga Blvd</a> | Los Angeles                | CA                 | <del>900049</del><br><a href="#">0035</a> | <del>(213) 385-9826</del><br><a href="#">(310) 733-4144</a> |
| <del>750811</del><br><a href="#">58</a> | <del>Tahira Hussain Shah and Ali Rajab Shah</del>                                   | <del>Heron Building</del><br><a href="#">The Bloc</a>   | <del>510 W 6th 700 S. Flower Street, Suite 104</del>                   | Los Angeles                | CA                 | <del>900149</del><br><a href="#">0017</a> | <del>(213) 622-6931</del><br><a href="#">2078</a>           |
| 2542                                    | Min Jae Lee and Jeewon Song   | Midtown Crossing  | 4550 West Pico Blvd., Suite C304                                       | Los Angeles                | CA                 | 90019                                     | (323) 549-9415  |
| <del>576171</del><br><a href="#">7</a>  | <del>Tahira Hussain Shah</del><br><a href="#">Abraham Y. Kim</a>                    | <del>Koreatown Plaza La Cienga</del>                    | <del>4833165 S. La Cienga Blvd</del><br><a href="#">Western Avenue</a> | Los Angeles                | CA                 | <del>900359</del><br><a href="#">0004</a> | <del>(310) 733-4144</del><br><a href="#">(213) 385-9826</a> |
| <del>415875</del><br><a href="#">08</a> | <del>Tahira Hussain Shah and Ali Rajab Shah</del>                                   | <del>The Bloc</del><br><a href="#">Heron Building</a>   | <del>700 S. Flower 510 W 6th Street, Suite 104</del>                   | Los Angeles                | CA                 | <del>900179</del><br><a href="#">0014</a> | <del>(213) 622-2078</del><br><a href="#">6931</a>           |
| 7533                                    | Min Jae Lee and Jeewon Song   | Westchester Village                                     | 8907 S. Sepulveda Blvd   | Los Angeles                | CA                 | 90045                                     | (310) 641-1722  |

| Center No.           | Franchisee   | Center Name                      | Address   | City   | State              | Zip                   | Phone   |
|----------------------|--|----------------------------------|---|--|--------------------|-----------------------|---|
| 3284                 | Manjinder Sangha and Kulwinder <a href="#">SinghaSangha</a>  | Stonecreek Plaza Shopping Center | 1451 West Pacheco Blvd.                               | Los Banos  | CA                 | 93635                 | (209) 827-2770  |
| 1047                 | Jagjeet S. Dosanjh   | Mission Ridge Shopping Center    | 1165 South Main Street                                | Manteca  | CA                 | 95336                 | (209) 825-1556  |
| 9426                 | John L. Watt, Alice D. Watt, and Jerome Watt   | Eastvale Gateway                 | 12523 Limonite Ave., Suite 450                        | Mira Loma  | CA                 | 91752                 | (951) 681-8575  |
| 2440                 | Maricela Chairez   | Atlantic Square                  | 2216 South Atlantic Blvd.                             | Monterey Park  | CA                 | 91754                 | (323) 887-8778  |
| 6596                 | John L. Watt and Alice D. Watt   | Gateway Town Center              | 1160 Hamner Avenue #F                                 | Norco  | CA                 | 92860-3152            | (951) 371-7888  |
| 5960                 | Mian Mohammad Haroon and Attique U. Rehman   | North Hollywood Plaza            | 5160 Vineland Avenue, Suite 108                       | North Hollywood  | CA                 | 91601                 | (818) 766-7462  |
| 6637                 | Syed H.M. Jafri and Samina K. Zaidi  | Norwalk Town Square              | 13931 S. Pioneer Blvd.                                | Norwalk  | CA                 | 90650                 | (562) 452-9221  |
| 5094                 | Jagjeet S. Dosanjh   | 4058 Piedmont Avenue             | 4058 Piedmont Avenue                                  | Oakland  | CA                 | 94611                 | (510) <del>594-</del><br><a href="#">1052380-3580</a> |
| 9130                 | Samina Inayat  | Pico Rivera Towne Center         | 8732 Washington Blvd                                  | Pico Rivera  | CA                 | 90660                 | (562) 496-1316  |
| 6334                 | Jennifer M. Cho & Soon H. Cho  | Village Center @ Rose            | 634 N. Rose Drive                                     | Placentia  | CA                 | 92870                 | (714) 577-8525  |
| 527                  | Bhavinkumar Patel  | Rancho Cordova Town Center       | 10829 Olson Drive                                     | Rancho Cordova   | CA                 | 95670                 | (916) 594-7141  |
| 2176                 | <del>Adam Hainline, Joe M. Lai</del><br>and <del>Ann S. Lai</del><br><a href="#">Clarence Kelley</a> | Terra Vista Town Center          | 10768 Foot Hill Blvd., Suite 120                      | Rancho <del>Cucamonga</del><br><a href="#">Cucamonga</a> | CA                 | 91730                 | (909) 980-0409  |
| 5293                 | Maria D. Mojica and Salvador Mojica  | Rialto Marketplace               | 1420 S. Riverside Avenue, Suite 8F                    | Rialto   | CA                 | 92376                 | (909) 258-2738  |
| <a href="#">3157</a> | <a href="#">Shahid Abbas</a>   | <a href="#">Riverside Plaza</a>  | <a href="#">3540 Riverside Plaza Drive, Suite 302</a> | <a href="#">Riverside</a>                                | <a href="#">CA</a> | <a href="#">92506</a> | <a href="#">(951) 680-0595</a>                        |

| Center No.        | Franchisee   | Center Name                               | Address  | City                 | State         | Zip                      | Phone                                 |
|-------------------|--|---|--|----------------------|---------------|--------------------------|---------------------------------------|
| 3485              | Ghayasuddin Bhatti, Qamar Jehan, Javeed G. Bhatti and Mahreen Skoukat                | Mission Grove Plaza                       | 321 East Alessandro Blvd., Suite 2BB               | Riverside            | CA            | 92508                    | (951) 789-6765                        |
| <del>3157</del>   | <del>Shahid Abbas</del>  | <del>Riverside Plaza</del>                | <del>3540 Riverside Plaza Drive, Suite 302</del>   | <del>Riverside</del> | <del>CA</del> | <del>92506</del>         | <del>(951) 680-0595</del>             |
| 6298              | Maria D. Mojica and Salvador Mojica  | Rosemead Square                           | 3578 Rosemead Blvd                                 | Rosemead             | CA            | 91770                    | (626) 288-9201                        |
| 811               | Penny P. Ching and Chunqin Huang   | Bayhill Shopping Center                   | 851 Cherry Avenue                                  | San Bruno            | CA            | 94066                    | (650) 588-6001                        |
| 6394              | Mohammad I. Bhatti   | Gateway Plaza                             | 806 Avenida Pico, Suite C                          | San Clemente         | CA            | 92672                    | (949) 369-6333                        |
| <del>9117</del>   | <del>Igor G. Stysis, Irina A. Stysis and Yuliya Ohay</del>                           | <del>Hillcrest Center</del>               | <del>658 University Avenue</del>                   | <del>San Diego</del> | <del>CA</del> | <del>92103</del>         | <del>(619) 692-3071</del>             |
| <del>468825</del> | <del>Igor G. Stysis, Irina A. Stysis, and Dennis D. Stysis, and Anna R. Stysis</del> | <del>Mira Mesa S/C Pacific Plaza II</del> | <del>9460 Mira Mesa Blvd. 1824 Garnet Avenue</del> | San Diego            | CA            | <del>92126</del><br>2109 | <del>(858) 549-3774</del><br>876-4034 |
| 774               | Igor G. Stysis and Irina A. Stysis   | Genese Plaza                              | 4223 Genesee Avenue                                | San Diego            | CA            | 92117                    | (619) 665-8414                        |
| 6621              | Igor G. Stysis and Irina A. Stysis   | Fenton Marketplace                        | 2169 Fenton Parkway, Suite A-106                   | San Diego            | CA            | 92108                    | (619) 284-2408                        |
| <del>882546</del> | <del>Igor G. Stysis, Irina A. Stysis and, Dennis D. Stysis, and Anna R. Stysis</del> | <del>Pacific Plaza II Mira Mesa S/C</del> | <del>1824 Garnet Avenue 9460 Mira Mesa Blvd.</del> | San Diego            | CA            | <del>92109</del><br>2126 | <del>(858) 876-4034</del><br>876-3774 |
| <del>9117</del>   | <del>Igor G. Stysis, Irina A. Stysis and Yuliya Ohay</del>                           | <del>Hillcrest Center</del>               | <del>658 University Avenue</del>                   | <del>San Diego</del> | <del>CA</del> | <del>92103</del>         | <del>(619) 692-3071</del>             |
| 5737              | Amit Dow and Briana Montez   | Storefront                                | 2172 Chestnut Street                               | San Francisco        | CA            | 94123                    | (415) 921-1400                        |
| 3384              | Humaira Munir  | Capitol Square Mall                       | 430 N. Capital Avenue                              | San Jose             | CA            | 95133                    | (408) 729-0558                        |

| Center No.           | Franchisee  | Center Name                                  | Address                                       | City                            | State              | Zip                   | Phone                          |
|----------------------|---|--|---|---------------------------------|--------------------|-----------------------|--------------------------------|
| 7053                 | Jagruti J. Patel  | Plaza Del Obispo Shopping Center             | 31878 Del Obispo St., Suite #121              | San Juan Capistrano             | CA                 | 92675                 | (949) 443-0489                 |
| 6676                 | Igor G. Stysis, Irina A. Stysis, Dennis D. Stysis, and Anna R. Stysis | Creekside Marketplace                        | 595 Grand Avenue, Suite F-102                 | San Marcos                      | CA                 | 92078                 | (760) 705-4806                 |
| 6381                 | <a href="#">Tahira Hussain Shah and Shahid Abbas</a>                  | Bristol Center                               | 3729 South Bristol Street                     | Santa Ana                       | CA                 | 92704                 | (714) 966-6619                 |
| 2330                 | Javad Billoo, Naeem M. Billoo, and Zubeda Billoo                      | Plaza at Golden Valley                       | 19193 Golden Valley Road                      | Santa Clarita                   | CA                 | 91387                 | (661) 621-0222                 |
| <a href="#">5622</a> | <a href="#">Pervaiz Butt and Samina Ahmed</a>                         | <a href="#">Centre Court Shopping Center</a> | <a href="#">1230 Madera Road #9</a>           | <a href="#">Simi Valley</a>     | <a href="#">CA</a> | <a href="#">93065</a> | <a href="#">(805) 520 4658</a> |
| 2055                 | Javad Billoo, Naeem M. Billoo, and Zubeda Billoo                      | Sycamore Plaza                               | 2880 D-2 Cochran Street                       | Simi Valley                     | CA                 | 93605                 | (805) 522-4425                 |
| <a href="#">5622</a> | <a href="#">Pervaiz Butt and Samina Ahmed</a>                         | <a href="#">Centre Court Shopping Center</a> | <a href="#">1230 Madera Road #9</a>           | <a href="#">Simi Valley</a>     | <a href="#">CA</a> | <a href="#">93065</a> | <a href="#">(805) 520-4658</a> |
| 2414                 | Jagjeet S. Dosanjh  | Timberhills Shopping Center                  | 1067 Mono Way                                 | Sonora                          | CA                 | 95370                 | (209) 588-1406                 |
| 117                  | Mohammad Zahid Baloch   | El Paseo                                     | 8616 Garfield Drive                           | South Gate                      | CA                 | 90280                 | (562) 776-1780                 |
| <a href="#">5395</a> | <a href="#">Javad Billoo and Naeem Billoo and Zubeda Billoo</a>       | <a href="#">Stevenson Ranch Plaza</a>        | <a href="#">24924 Pico Canyon Road Unit 4</a> | <a href="#">Stevenson Ranch</a> | <a href="#">CA</a> | <a href="#">91381</a> | <a href="#">(661) 388-4424</a> |
| 3494                 | Javad Billoo and Naeem Billoo and Zubeda Billoo                       | Studio City Plaza                            | 12042 Ventura Blvd.                           | Studio City                     | CA                 | 91604                 | (818) 763-2878                 |
| 5786                 | Peggy Yang  | Temple City Square                           | 5785 Rosemead Blvd.                           | Temple City                     | CA                 | 91780                 | (626) 287-5505                 |
| 9493                 | Jagjeet S. Dosanjh and Rupeet K. Dosanjh                              | Blossom Valley Shopping Center               | 2888 Geer Road                                | Turlock                         | CA                 | 95336                 | (209) 634-4030                 |
| 405                  | Rakesh S. Patel and Aarti Patel                                       | Coffee Tree Plaza                            | 140 Nut Tree Parkway, Space 100A              | Vacaville                       | CA                 | 95687                 | (707) 451-8660                 |

| Center No.          | Franchisee  | Center Name                         | Address  | City                    | State              | Zip                   | Phone                          |
|---------------------|---|-------------------------------------|--|-------------------------|--------------------|-----------------------|--------------------------------|
| 7568                | Attiq Rehman  | River Oaks Shopping Center          | 24319 Magic Mountain Parkway                       | Valencia                | CA                 | 91355                 | (661) 253-1014                 |
| 374                 | Syed Azeem Ahmed and Mohammed Arbab Arshad                            | Saticoy Plaza                       | 17234 Saticoy Avenue                               | Van Nuys                | CA                 | 91406                 | (818) 708-7543                 |
| 580                 | Syed Azeem Ahmed and Mohammed Arbab Arshad                            | GM Power Center                     | 7954 Van Nuys Blvd.                                | Van Nuys                | CA                 | 91402                 | (818) 988-0512                 |
| 6457                | Vince Solbes and Refugio Moran  | The Overlook                        | 1425 Main Street                                   | Watsonville             | CA                 | 95076                 | (831) 761-1766                 |
| 6891                | Daniel K. K. Leung and Ying Wu  | Eastland Center                     | 2648 E Workman Avenue, #3005                       | West Covina             | CA                 | 91791                 | (626) 967-9800                 |
| 7007                | Hasan M. Jafri  | West Hollywood Gateway              | 7100 Santa Monica Blvd #125                        | West Hollywood          | CA                 | 90046                 | (323) 882-8436                 |
| 7205                | Hasan M. Jafri and Fatima H. Jafri                                    | The Quad @ Whittier                 | 13502 - I Whittier Blvd.                           | Whittier                | CA                 | 90605                 | (562) 693-2723                 |
| 6784                | Yakoob Billoo and Zarina Billoo and Mohammed Billoo and Rameez Billoo | Gateway Plaza                       | 21927 Ventura Blvd.                                | Woodland Hills          | CA                 | 91364                 | (818) 992-7798                 |
| 7173                | Anthony R. Kimbrough and Jamie A. Kimbrough                           | Ralston Square                      | 12326 West 64th Avenue                             | Arvada                  | CO                 | 80004                 | (303) 432-8767                 |
| 9039                | Jon L. Stock  | Quebec Square                       | 7305 E. 35th Ave., #140                            | Denver                  | CO                 | 80238                 | (303) 388-0383                 |
| 6183                | Michael Saluzzi and Rachel Saluzzi                                    | Riverside Commons                   | 1237 East Putnam Avenue                            | Riverside               | CT                 | 06878                 | (203) 637-4262                 |
| 9299                | Wageeh S. Mohamed   | Pen Mart Shopping Center            | 12 Pen Mart Center                                 | New Castle              | DE                 | 19720                 | (302) 328-7392                 |
| <a href="#">671</a> | <a href="#">Darryl V. Green</a>                                       | <a href="#">Bloomingdale Square</a> | <a href="#">967 E Bloomingdale Ave., Space 106</a> | <a href="#">Brandon</a> | <a href="#">FL</a> | <a href="#">33511</a> | <a href="#">(813) 643-1500</a> |
| 1765                | Yanira L. Barry and Michael J. Barry                                  | West Town Center                    | 150 SR 434, Suite 1086                             | Altamonte Springs       | FL                 | 32714                 | (407) 682-2226                 |

| Center No.     | Franchisee   | Center Name                       | Address  | City               | State         | Zip              | Phone                     |
|----------------|--|-----------------------------------|--|--------------------|---------------|------------------|---------------------------|
| 2265           | Bernardo A. Yibirin and Maria R. Yibirin   | Westwinds of Boca                 | 9774 W. Glades Road                              | Boca Raton         | FL            | 33434            | (561) 487-5910            |
| 2554           | Randall J. Wagner, and Marife D. Wagner, <del>James S. Chapman, and Amy L. Chapman</del> | River Club Plaza                  | 5770 Ranch Lake Blvd., Unit 124                  | Bradenton          | FL            | 34202            | (941) 756-4564            |
| <del>671</del> | <del>Darryl V. Green</del>   | <del>Bloomingtondale Square</del> | <del>967 E Bloomingtondale Ave., Space 106</del> | <del>Brandon</del> | <del>FL</del> | <del>33511</del> | <del>(813) 643-1500</del> |
| 2150           | Darryl V. Green  | Carrot Country                    | 616 Oakfield Drive                               | Brandon            | FL            | 33511            | (813) 689-2195            |
| 7008           | Shamir Lalani, Ishie Lalani, Karim Lalani, and Anisha Lalani                             | Casselberry Commons               | 1455 Semoran Blvd. #133                          | Casselberry        | FL            | 32707            | (407) 673-3330            |
| 447            | Michael J. Neugebauer, Jr. and Eric A. Himschoot   | Clermont Regional Center          | 1082 East SR 50                                  | Clermont           | FL            | 34711            | (352) 394-1234            |
| 6044           | Michael J. Neugebauer, Jr. and Eric A. Himschoot   | Summer Bay Plaza                  | 17445 US 192, Suite 9                            | Clermont           | FL            | 34714            | (325) 432-2050            |
| 1412           | Danny A. Morales   | Pine Ridge Square                 | 4687 North University Drive                      | Coral Springs      | FL            | 33067            | (954) 757-7060            |
| 5434           | Hugo Edgardo Nisenbom, Ana Maria Mercade and Maria Cecilia Nisenbom                      | Turtle Crossing                   | 4336 N. State Road 7                             | Coral Springs      | FL            | 33073            | (954) 752-2803            |
| 2772           | Leonard J. Fassler and Annette M. Fassler  | Shoppes @ Dania Pointe            | 1710 Stirling Road                               | Dania Beach        | FL            | 33004            | (954) 921-5158            |
| 2444           | Bernardo A. Yibirin  | Towers Plaza                      | 2034 S. University Dr.                           | Davie              | FL            | 33324            | (954) 476-9007            |
| 8968           | Nathaniel D. Moro and Marilyn A. Moro  | The Shoppes @ Beville Road        | 1500 Beville Road                                | Daytona Beach      | FL            | 32114            | (386) 255-5599            |
| 5708           | Nathaniel D. Moro and Marilyn A. Moro  | Northgate Shopping Center         | 101 East International Speedway                  | Deland             | FL            | 32724            | (386) 873-6249            |

| Center No.      | Franchisee   | Center Name                                      | Address  | City                                      | State                         | Zip                              | Phone                                     |
|-----------------|--|--|--|---|-------------------------------|----------------------------------|---|
| 5089            | Victor R. Alvarez  | Doral Commons                                    | 7520 NW 104th Avenue, Unit 7                               | Doral                                     | FL                            | 33178                            | (786) 725-5730                            |
| <del>2887</del> | <del><a href="#">Leonard J. Fassler and Annette M. Fassler</a></del>           | <del><a href="#">Victoria Park Shoppes</a></del> | <del><a href="#">642 No. Federal Highway</a></del>         | <del><a href="#">Ft. Lauderdale</a></del> | <del><a href="#">FL</a></del> | <del><a href="#">33304</a></del> | <del><a href="#">(954) 467-0651</a></del> |
| 3177            | Juan F. Audisio, Magdalena N. Audisio, Ariana P. Audisio, and Guido G. Audisio | South Port Shopping Center                       | 1303 B 17th Street   | Ft. Lauderdale                            | FL                            | 33316                            | (954) 765-1917                            |
| <del>2887</del> | <del><a href="#">Leonard J. Fassler and Annette M. Fassler</a></del>           | <del><a href="#">Victoria Park Shoppes</a></del> | <del><a href="#">642 No. Federal Highway</a></del>         | <del><a href="#">Ft. Lauderdale</a></del> | <del><a href="#">FL</a></del> | <del><a href="#">33304</a></del> | <del><a href="#">(954) 467-0651</a></del> |
| 2716            | Jon Allyn Simmons, Jr.   | Butler Plaza                                     | 3914 SW Archer Rd  | Gainesville                               | FL                            | 32608                            | (352) 377-6020                            |
| 6262            | Danny A. Morales   | Gardens Square                                   | 8625 NW 186th Street                                       | Hialeah                                   | FL                            | 33015                            | (305) 829-1856                            |
| 7741            | Leonard J. Fassler and Annette M. Fassler                                      | Sheridan Plaza                                   | 5431 Sheridan Street                                       | Hollywood                                 | FL                            | 33021                            | (954) 965-7077                            |
| <del>7381</del> | <del><a href="#">Jon Allyn Simmons, Jr.</a></del>                              | <del><a href="#">Deerwood Village Mall</a></del> | <del><a href="#">9970 Baymeadows Road</a></del>            | <del><a href="#">Jacksonville</a></del>   | <del><a href="#">FL</a></del> | <del><a href="#">32256</a></del> | <del><a href="#">(904) 997-6999</a></del> |
| 2461            | Kirk A. Irvin  | Shoppes at Bartram Park                          | 13820 Old St. Augustine Road, Suite 213                    | Jacksonville                              | FL                            | 32258                            | (904) 292-1335                            |
| 2904            | Kirk A. Irvin  | South Beach Parkway Plaza                        | 578 Marsh Landing Pkwy                                     | Jacksonville                              | FL                            | 32250                            | (904) 280-1918                            |
| <del>3057</del> | <del><a href="#">Kirk A. Irvin</a></del>                                       | <del><a href="#">Atlantic North</a></del>        | <del><a href="#">11919 Atlantic Blvd., Space 104</a></del> | <del><a href="#">Jacksonville</a></del>   | <del><a href="#">FL</a></del> | <del><a href="#">32225</a></del> | <del><a href="#">(904) 516-4771</a></del> |
| 6332            | Jon Allyn Simmons, Jr.   | Pablo Creek Plaza                                | 13470 Beach Blvd., Suite 403                               | Jacksonville                              | FL                            | 32224                            | (904) 223-3997                            |
| <del>7381</del> | <del><a href="#">Jon Allyn Simmons, Jr.</a></del>                              | <del><a href="#">Deerwood Village Mall</a></del> | <del><a href="#">9970 Baymeadows Road</a></del>            | <del><a href="#">Jacksonville</a></del>   | <del><a href="#">FL</a></del> | <del><a href="#">32256</a></del> | <del><a href="#">(904) 997-6999</a></del> |

| Center No.                         | Franchisee   | Center Name                          | Address  | City                | State         | Zip                                  | Phone  |
|------------------------------------|--|--------------------------------------|--|---------------------|---------------|--------------------------------------|--|
| 1354                               | Joanne Kim Tripp, Hong Ik Kim, and Jin Kyong Kim                     | Chasewood Shopping Center            | 6390 Indian Town Rd., Suite 27B                    | Jupiter             | FL            | 33458                                | (561) 744-2775                                   |
| 5003                               | Joanne Kim Tripp   | Abacoa Plaza                         | 5500 Military Trail                                | Jupiter             | FL            | 33458                                | (561) 779-1526                                   |
| 1663                               | Jessica Otero  | Ventura Downs Shopping Center        | 1974 Osceola Parkway, SP-3V                        | Kissimmee           | FL            | 34743                                | (407) 344-8040                                   |
| 5949                               | Valerie J. Perez   | Crosslands Center                    | 750 Centerview Boulevard                           | Kissimmee           | FL            | 34741                                | (407) 201-6062                                   |
| 7151                               | Valerie J. Perez   | The Loop West                        | 2687 W. Osceola Parkway                            | Kissimmee           | FL            | 34743                                | (407) 932-5217                                   |
| 1642                               | Sam Moses  | Lees Square                          | 5800 Jog Road                                      | Lake Worth          | FL            | 33467                                | (561) 433-2870                                   |
| <del>5743</del>                    | <del>Irma Cole and Christopher Cole</del>                            | <del>Plantation Square</del>         | <del>5361 N. Socrum Loop Road</del>                | <del>Lakeland</del> | <del>FL</del> | <del>33809</del>                     | <del>(863) 859-0586</del>                        |
| 1906                               | Ashraf W. Bailey and Mona D. Bailey                                  | Highland City Town Center            | 5179 US Hwy 98 South                               | Lakeland            | FL            | 33812                                | (863) 644-9500                                   |
| <del>5743</del>                    | <del>Irma Cole and Christopher Cole</del>                            | <del>Plantation Square</del>         | <del>5361 N. Socrum Loop Road</del>                | <del>Lakeland</del> | <del>FL</del> | <del>33809</del>                     | <del>(863) 859-0586</del>                        |
| 8425                               | Ashraf W. Bailey and Mona D. Bailey                                  | Lakeside Village                     | 1322 Town Center Drive, Space S106                 | Lakeland            | FL            | 33803                                | (863) 686-6762                                   |
| 8049                               | Bernardo A. Yibirin  | Universal Plaza                      | 5403 N. Universal Drive                            | Lauderhill          | FL            | 33351                                | (954) 741-6698                                   |
| 6634                               | Charles J. Brown, Carole A. Brown, and Craig C. Brown                | Van Dyke Commons                     | 17681 Dale Mabry Highway North                     | Lutz                | FL            | 33548                                | (813) 961-4516                                   |
| <del>116224</del><br><del>35</del> | <del>Martha Pineda and Jose Alejandro Pineda and Martha Pineda</del> | <del>Airpark Miller Road Plaza</del> | <del>5777 NW 7th St., 9336 S. W. 56th Street</del> | Miami               | FL            | <del>331263</del><br><del>3165</del> | <del>(305) 262-0000</del><br><del>596-0626</del> |

| Center No.                       | Franchisee   | Center Name                          | Address   | City             | State         | Zip                             | Phone  |
|----------------------------------|--|--------------------------------------|---|------------------|---------------|---------------------------------|--|
| <u>1259</u>                      | <u>Leonard J. Fassler and Annette M. Fassler</u>   | <u>Publix Biscayne</u>               | <u>1786 Biscayne Blvd</u>                         | <u>Miami</u>     | <u>FL</u>     | <u>33132</u>                    | <u>(305) 371-1822</u>                        |
| <u>2028</u>                      | <u>Ali Hashemi</u>   | <u>Plaza Del Parasio</u>             | <u>12100 SW 127th Avenue</u>                      | <u>Miami</u>     | <u>FL</u>     | <u>33186</u>                    | <u>(305) 232-4432</u>                        |
| <del>2135</del><br><del>62</del> | <del>Martha Pineda and Jose Alejandro Pineda and Martha Pineda</del>                                       | <del>Miller Road Airpark Plaza</del> | <del>9336 S. W. 56th Street 5777 NW 7th St.</del> | Miami            | FL            | <del>33165</del><br><u>3126</u> | <del>(305) 596-0626</del><br><u>262-0000</u> |
| 2428                             | <del>Martha Pineda and Jose Alejandro Pineda and Martha Pineda</del>                                       | Tamiami Trail Shoppes                | 13820 SW 8th Street                               | Miami            | FL            | 33184                           | (305) 552-0444                               |
| <u>2518</u>                      | <u>Marcio R. G. Andreazzi, Maria Thereza Andreazzi and Alessandro G. Andreazzi and Felipe G. Andreazzi</u> | <u>Store Front</u>                   | <u>426 SW 8th Street Unit #1</u>                  | <u>Miami</u>     | <u>FL</u>     | <u>33130</u>                    | <u>(305) 640-5253</u>                        |
| 3524                             | Marcio R. G. Andreazzi, Maria Thereza Andreazzi, and Alessandro G. Andreazzi                               | Shoppes of Coral Way                 | 2520 Coral Way #6                                 | Miami            | FL            | 33145                           | (305) 860-9676                               |
| <u>1892</u>                      | <u>Marcio R. G. Andreazzi, Maria Thereza Andreazzi and Alessandro G. Andreazzi</u>                         | <u>Miller Square Shopping Center</u> | <u>13710 E SW 56th Street</u>                     | <u>Miami</u>     | <u>FL</u>     | <u>33175</u>                    | <u>(305) 388-7414</u>                        |
| 2028                             | Ali Hashemi  | Plaza Del Parasio                    | 12100 SW 127th Avenue                             | Miami            | FL            | 33186                           | (305) 232-4432                               |
| <u>1259</u>                      | <u>Leonard J. Fassler and Annette M. Fassler</u>   | <u>Publix Biscayne</u>               | <u>1786 Biscayne Blvd</u>                         | <u>Miami</u>     | <u>FL</u>     | <u>33132</u>                    | <u>(305) 371-1822</u>                        |
| <del>6550</del>                  | <del>Jose Mones</del>  | <del>Fountain Square</del>           | <del>9971 W. Flagler Street, Suite 140</del>      | <del>Miami</del> | <del>FL</del> | <del>33174</del>                | <del>(305) 226-9684</del>                    |
| 5491                             | Juan F. Audisio  | Storefront                           | 268 East Flagler Street                           | Miami            | FL            | 33131                           | (305) 358-3430                               |

| Center No. | Franchisee   | Center Name                              | Address   | City                  | State              | Zip                   | Phone                          |
|------------|--|--|---|-----------------------|--------------------|-----------------------|--------------------------------|
| 6372       | <a href="#">Victor M. Gonzalez and Stefanie M. del Campo</a>   | <a href="#">Shoppes @ Paradise Lakes</a> | <a href="#">16832 SW88th Street</a>               | <a href="#">Miami</a> | <a href="#">FL</a> | <a href="#">33196</a> | <a href="#">(786) 577-0114</a> |
| 6550       | <a href="#">Jose Mones</a>   | <a href="#">Fountain Square</a>          | <a href="#">9971 W. Flagler Street, Suite 140</a> | <a href="#">Miami</a> | <a href="#">FL</a> | <a href="#">33174</a> | <a href="#">(305) 226-9684</a> |
| 8939       | Leonard J. Fassler and Annette M. Fassler  | Shops at Midtown Mall                    | 3401 North Miami Avenue, Suite 114                | Miami                 | FL                 | 33127                 | (305) 576-6377                 |
| 6372       | <a href="#">Victor M. Gonzalez and Stefanie M. del Campo</a>   | <a href="#">Shoppes @ Paradise Lakes</a> | <a href="#">16832 SW88th Street</a>               | <a href="#">Miami</a> | <a href="#">FL</a> | <a href="#">33196</a> | <a href="#">(786) 577-0114</a> |
| 2518       | <a href="#">Marcio R. G. Andreazzi, Maria Theresa Andreazzi and Alessandro G. Andreazzi</a>                    | <a href="#">Store Front</a>              | <a href="#">426 SW 8th Street Unit #1</a>         | <a href="#">Miami</a> | <a href="#">FL</a> | <a href="#">33130</a> | <a href="#">(305) 640-5253</a> |
| 5784       | Ashraf W. Bailey and Mona D. Bailey  | Publix @ Imperial Lakes                  | 2050 Shepard Road                                 | Mulberry              | FL                 | 33860                 | (863) 701-2779                 |
| 2185       | Melissa S. Taylor  | Marketplace at Pelican Bay               | <a href="#">8851 Tamiami Trail North</a>          | Naples                | FL                 | 34108                 | (239) 431-8917                 |
| 2729       | Kirk A. Irvin  | Seminole Shoppes                         | 628 Atlantic Blvd #4                              | Neptune Beach         | FL                 | 32266                 | (904) 853-5390                 |
| 1973       | Leonard J. Fassler and Annette M. Fassler  | 127th Street Shopping Ctr.               | 12880 Biscayne Blvd.                              | North Miami           | FL                 | 33181                 | (305) 893-6806                 |
| 6710       | Marcio R. G. Andreazzi, Maria <del>Theresa</del> <a href="#">Thereza</a> Andreazzi and Alessandro G. Andreazzi | Ives Dairy Crossing                      | 19975 NW Second Ave. #6                           | North Miami           | FL                 | 33169                 | (305) 770-3381                 |
| 6847       | Ali Hashemi  | Country Health Store                     | 1851 NE 185th Street                              | North Miami Beach     | FL                 | 33179                 | (305) 932-5140                 |
| 59         | Darryl V. Green  | Cocoplum Village Shops                   | 17281 S. Tamiami Trail                            | North Port            | FL                 | 34287                 | (941) 429-8888                 |
| 5597       | Valerie J. Perez   | Lake Nona Landing                        | 9971 Tagore Pl, Suite 8A                          | Orlando               | FL                 | 32832                 | (407) 378-5557                 |

| Center No. | Franchisee  | Center Name                         | Address                              | City               | State         | Zip              | Phone                     |
|------------|---|-------------------------------------|--------------------------------------|--------------------|---------------|------------------|---------------------------|
| 7560       | <del>Marlon Shamsudeen and Bibi S. Shamsudeen</del>                     | <del>Highland Lakes Drive</del>     | <del>7361 West Colonial Drive</del>  | <del>Orlando</del> | <del>FL</del> | <del>32818</del> | <del>(407) 296-4307</del> |
| 6142       | Valerie J. Perez  | Premium Shoppes at Lake Buena Vista | 8600 Vineland Avenue, Suite 102      | Orlando            | FL            | 32821-6506       | (407) 560-0065            |
| 7560       | <del>Marlon Shamsudeen and Bibi S. Shamsudeen</del>                     | <del>Highland Lakes Drive</del>     | <del>7361 West Colonial Drive</del>  | <del>Orlando</del> | <del>FL</del> | <del>32818</del> | <del>(407) 296-4307</del> |
| 6933       | Albert M. Paetzig   | Martin Downs Town Center            | 2870 SW Town Center Way, Space #350  | Palm City          | FL            | 34990            | (772) 221-9233            |
| 2324       | Jon Allyn Simmons, Jr.  | Palm Coast Corners                  | 1234 Palm Coast Parkway              | Palm Coast         | FL            | 32137            | (386) 446-0914            |
| 2365       | Myra V. Sofer and Angelita A. Sofer                                     | Pembroke Lakes Mall                 | 11401 Pines Boulevard, Suite 878     | Pembroke Pines     | FL            | 33026            | (954) 432-7474            |
| 1637       | Ashraf <del>W.</del> Bailey and Mona <del>D.</del> Bailey               | Waldon Woods S/C                    | 2206 James L Redman Parkway          | Plant City         | FL            | 33566            | (813) 759-8551            |
| 2888       | Leonard J. Fassler and Annette M. Fassler                               | Park Plaza Shopping Center          | 1180 N. Federal Highway              | Pompano Beach      | FL            | 33062            | (954) 785-6334            |
| 5582       | Kirk A. Irvin   | Nocatee Town Center                 | 152 Capital Green Drive, Suite 30    | Ponte Vedra        | FL            | 32081            | (904) 834-1165            |
| 604        | Albert M. Paetzig   | The Landing @ Tradition             | 10640 SW Village Parkway             | Port St. Lucie     | FL            | 34987            | (772) 345-3622            |
| 2103       | Albert M. Paetzig   | Town Center @ St. Lucie West        | 1707 St. Lucie West Blvd., Suite 106 | Port St. Lucie     | FL            | 34986            | (772) 340-4070            |
| 2638       | Michael J. Neugebauer, Jr. and Eric A. Himschoot                        | St. Cloud Square Shopping Center    | 4061 13th Street                     | Saint Cloud        | FL            | 34769            | (407) 892-4300            |
| 980        | Darryl V. Green   | Sarasota Village                    | 3660 Bee Ridge Road                  | Sarasota           | FL            | 34233            | (941) 924-6293            |
| 288        | Charles J. Brown, Carole A. Brown, Craig C. Brown and Chandler C. Brown | Nature Coast Commons                | 1421 Commercial Way                  | Springhill         | FL            | 34607            | (352) 683-0222            |

| Center No.           | Franchisee  | Center Name                     | Address                             | City                  | State              | Zip                   | Phone                          |
|----------------------|---|---------------------------------|-------------------------------------|-----------------------|--------------------|-----------------------|--------------------------------|
| 5020                 | Jon Allyn Simmons, Jr.  | Cobblestone Shopping Center     | 200 CBL Dr. 102                     | St. Augustine         | FL                 | 32086                 | (904) 797-5244                 |
| 7234                 | Albert M. Paetzig   | Stuart Centre                   | 2295 SE Federal Highway             | Stuart                | FL                 | 34994                 | (772) 286-8453                 |
| 3982                 | Hugo Edgardo Nisenbom, Ana Maria Mercade and Maria Cecilia Nisenbom | R. K. Centre South              | 16850 Collins Avenue, Suite 109     | Sunny Isles Beach     | FL                 | 33160                 | (305) 957-8998                 |
| 2871                 | Charlotte G. Peglow and Stephanie I. Peglow                         | Village Commons Shopping Center | 1400 Village Square Blvd            | Tallahassee           | FL                 | 32312                 | (850) 893-6966                 |
| <a href="#">1893</a> | <a href="#">Michael S. Kennedy</a>                                  | <a href="#">Westgate Plaza</a>  | <a href="#">12028 Anderson Road</a> | <a href="#">Tampa</a> | <a href="#">FL</a> | <a href="#">33625</a> | <a href="#">(813) 968-2141</a> |
| 2390                 | Darryl V. Green   | Britton Plaza                   | 3918-A South Dale Mabry Highway     | Tampa                 | FL                 | 33611                 | (813) 839-0188                 |
| <a href="#">1893</a> | <a href="#">Michael S. Kennedy</a>                                  | <a href="#">Westgate Plaza</a>  | <a href="#">12028 Anderson Road</a> | <a href="#">Tampa</a> | <a href="#">FL</a> | <a href="#">33625</a> | <a href="#">(813) 968-2141</a> |
| 6405                 | Eric S. Miller  | La Plaza Grande South           | 922 Bichara Blvd.                   | The Villages          | FL                 | 32162                 | (352) 750-0715                 |
| 8000                 | Eric S. Miller  | Buffalo Ridge Plaza             | 3600 Wedgewood Lane                 | The Villages          | FL                 | 32162                 | (352) 259-6097                 |
| 5648                 | Joanne Kim Tripp, Hong Ik Kim, and Jin Kyong Kim                    | Treasure Coast Plaza            | 2044 Treasure Coast Plaza           | Vero Beach            | FL                 | 32960                 | (772) 562-2450                 |
| 1338                 | James E. Hansler  | Westward Plaza                  | 2491-C Okeechobee Blvd              | W. Palm Beach         | FL                 | 33409                 | (561) 684-8561                 |
| 3784                 | Yanira L. Barry   | The Grove @ Four Corners        | 4750 The Grove Drive                | Windermere            | FL                 | 34786                 | (407) 252-0687                 |
| 6167                 | Rebecca S. Russell  | Winter Haven Citi Centre        | 412 Citi Centre Street              | Winter Haven,         | FL                 | 33880                 | (863) 292-8700                 |

| Center No.           | Franchisee   | Center Name                         | Address  | City                    | State              | Zip                   | Phone                          |
|----------------------|--|-------------------------------------|--|-------------------------|--------------------|-----------------------|--------------------------------|
| 7085                 | Seyed Hashemi and Mitra Mortezaazadeh                            | Windward Commons                    | 12850 Highway 9, Space #1300                       | Alpharetta              | GA                 | 30004                 | (770) 777-7780                 |
| <a href="#">3569</a> | <a href="#">Nelson S. Fleming</a>                                | <a href="#">Cascade Crossing</a>    | <a href="#">3695 Cascade Road</a>                  | <a href="#">Atlanta</a> | <a href="#">GA</a> | <a href="#">30331</a> | <a href="#">(404) 691-9890</a> |
| <a href="#">5046</a> | <a href="#">Michele Tedesco</a>                                  | <a href="#">Brighten Park</a>       | <a href="#">2484 Briarecliff Rd., Suite 37</a>     | <a href="#">Atlanta</a> | <a href="#">GA</a> | <a href="#">30329</a> | <a href="#">(404) 325-8580</a> |
| 6537                 | Fadi F. Alame, Jamal M. Fakh, Ahmad M. Fakh, and Feryial M. Fakh | Publix @ Perimeter                  | 1100 Hammond Drive. Suite 440A                     | Atlanta                 | GA                 | 30328                 | (770) 730-0530                 |
| <a href="#">5046</a> | <a href="#">Michele Tedesco</a>                                  | <a href="#">Brighten Park</a>       | <a href="#">2484 Briarecliff Rd., Suite 37</a>     | <a href="#">Atlanta</a> | <a href="#">GA</a> | <a href="#">30329</a> | <a href="#">(404) 325-8580</a> |
| <a href="#">7496</a> | <a href="#">Michele Tedesco</a>                                  | <a href="#">Midtown Place</a>       | <a href="#">650 Ponce De Leon Ave, Suite 640 A</a> | <a href="#">Atlanta</a> | <a href="#">GA</a> | <a href="#">30308</a> | <a href="#">(404) 876-6296</a> |
| <a href="#">3569</a> | <a href="#">Nelson S. Fleming</a>                                | <a href="#">Cascade Crossing</a>    | <a href="#">3695 Cascade Road</a>                  | <a href="#">Atlanta</a> | <a href="#">GA</a> | <a href="#">30331</a> | <a href="#">(404) 691-9890</a> |
| 7149                 | Nelson S. Fleming  | Camp Creek Marketplace              | 3755 Carnia Drive, STE 690                         | Atlanta                 | GA                 | 30331                 | (404) 344-4692                 |
| 5040                 | Surinder P. Singh  | Village Square Shopping Center      | 1605P Buford Highway                               | Buford                  | GA                 | 30518                 | (770) 614-9461                 |
| 3629                 | Michael T. O'Brien and Babette T. O'Brien                        | River Point Plaza                   | 1552 Riverstone Parkway, Suite 100                 | Canton                  | GA                 | 30114                 | (770) 720-1708                 |
| 3988                 | Gregory M. Cottrell  | McIntosh Plaza                      | 1109 S. Park Street #503                           | Carrollton              | GA                 | 30117                 | (770) 834-5954                 |
| 1697                 | Surinder P. Singh  | Lakeland Plaza Shopping Center      | 552 Lakeland Plaza                                 | Cummings                | GA                 | 30040                 | (770) 844-8930                 |
| <a href="#">332</a>  | <a href="#">Nelson S. Fleming</a>                                | <a href="#">Dallas Commons</a>      | <a href="#">457 Dean Blvd., Suite 110</a>          | <a href="#">Dallas</a>  | <a href="#">GA</a> | <a href="#">30132</a> | <a href="#">(770) 505-8430</a> |
| 6850                 | Nelson S. Fleming  | Chapel Hill Commons Shopping Center | 4919 Flat Shoals Parkway, Suite 102                | Decatur                 | GA                 | 30034                 | (678) 418-5263                 |

| Center No.      | Franchisee                                 | Center Name                            | Address  | City                      | State         | Zip              | Phone   |
|-----------------|--|--|--|---------------------------|---------------|------------------|---|
| 6867            | Surinder P. Singh                          | Peachtree Hill                         | 3455 Peachtree Industrial, Blvd. Suite 885                 | Duluth                    | GA            | 30096            | (770) 813-0540                                    |
| <del>7192</del> | <del>Surinder P. Singh</del>               | <del>Stonebridge Shopping Center</del> | <del>5855 Sprout Springs Road, Building A, Space 405</del> | <del>Flowery Branch</del> | <del>GA</del> | <del>30542</del> | <del>(770) 965-1020</del>                         |
| 1672            | Nelson S. Fleming                          | Village Shoppes of Gainesville         | 891 Dawsonville Hwy, Suite 180                             | Gainesville               | GA            | 30501            | (770) 718-9638                                    |
| 3060            | Ronak P. Patel and Jinalben Patel          | Grayson Commons                        | 1911 Grayson Highway #12                                   | Grayson                   | GA            | 30017            | (770) 237-8999                                    |
| 926             | Arshad N. Mirza                            | Paulding Commons Shopping Center       | 4215 Jimmy Lee Smith Pkwy.                                 | Hiram                     | GA            | 30141            | (770) 439-0077                                    |
| 3672            | Abbas Maleknia                             | Midway Shopping Center                 | 910 US Athens Highway                                      | Loganville                | GA            | 30052            | (770) 554-9666                                    |
| 5965            | Nelson S. Fleming                          | Mableton Crossing                      | 4875 Floyd Road, Suite 302                                 | Mableton                  | GA            | 30126            | (770) 745-1123                                    |
| 3059            | Nelson S. Fleming                          | West Cobb Market                       | 2500 Dallas Hwy, # 510                                     | Marietta                  | GA            | 30064            | (678) 581-0334                                    |
| <del>8114</del> | <del>Nelson S. Fleming</del>               | <del>Providence Square</del>           | <del>4101 Roswell Road, Space # 307</del>                  | <del>Marietta</del>       | <del>GA</del> | <del>30062</del> | <del>(770) 971-4920</del>                         |
| 9370            | Emilio Alea, Jr. and James C. Stanton, III | Milledgeville GNC                      | 2600 North Columbia Street, Suite B-5                      | Milledgeville             | GA            | 31061            | (478) 452-4577                                    |
| 2833            | Nelson S. Fleming                          | Newnan Crossing                        | 963 Bullsboro Drive, Suite A                               | Newnan                    | GA            | 30265            | (770) 304-4355                                    |
| 2648            | Myoung S. Rhim and Hannong Rhim            | Peachtree Corners S/C                  | 3200 Holcomb Bridge Rd Ste. 650                            | Norcross                  | GA            | 30092            | (770) 729-8822                                    |
| 8607            | Steven M. Larson                           | The Village on Pooler Parkway          | 246 Pooler Parkway, Space D                                | Pooler                    | GA            | 31322            | (912) 441-6626                                    |
| 3828            | Steven M. Larson                           | Market at Rice Hope                    | 7936 GA Highway 21   | Port Wentworth            | GA            | 31407            | (912) <del>620-</del><br><del>0077</del> 482-7380 |

| Center No.      | Franchisee  | Center Name                   | Address                                   | City               | State         | Zip              | Phone                     |
|-----------------|---|-------------------------------|---|--------------------|---------------|------------------|---------------------------|
| 7245            | Nelson S. Fleming   | Powder Springs Publix S/C     | 3749 New Macland Rd., Suite 550           | Powder Springs     | GA            | 30127            | (770) 222-1234            |
| <del>8114</del> | <del>Nelson S. Fleming</del>                                      | <del>Providence Square</del>  | <del>4101 Roswell Road, Space # 307</del> | <del>Roswell</del> | <del>GA</del> | <del>30062</del> | <del>(770) 971-4920</del> |
| 7204            | Steven M. Larson  | Berwick Marketplace           | 5710 Ogeechee Road, Space 210             | Savannah           | GA            | 31405            | (412) 935-1943            |
| 951             | Nelson S. Fleming   | Highland Station              | 4480 South Cobb Drive Suite G             | Smyrna             | GA            | 30080            | (770) 436-0705            |
| 7928            | Surinder P. Singh   | John's Creek Town Center      | 3630 Peachtree Pkwy, Unit #1              | Suwanee            | GA            | 30024            | (770) 622-4166            |
| 189             | Michael T. O'Brien and Babette T. O'Brien                         | The Outlet Shoppes at Atlanta | 915 Ridgewalk Pkwy, Suite 502             | Woodstock          | GA            | 30188            | (678) 275-2373            |
| 5032            | Michael T. O'Brien and Babette T. O'Brien                         | Town Lake Square              | 2295 Town Lake Pkw, Suite 104             | Woodstock          | GA            | 30189            | (770) 516-2223            |
| 8709            | Rebecca L. Brennecke, Barry J. Brennecke, and Austin J. Brennecke | Shops on Delaware             | 2005 SE Delaware Avenue                   | Ankeny             | IA            | 50021            | (515) 965-1276            |
| 2014            | Carl A. Hughes and Christopher D. McKay                           | Walmart Grimes                | 300 Destination Dr. #500                  | Grimes             | IA            | 50111            | (515) 598-6695            |
| 2395            | Carl A. Hughes and Christopher D. McKay                           | Willow Creek Crossing         | 4199 4th Street SW                        | Mason City         | IA            | 50401            | (641) 201-1046            |
| 949             | Robert A. Erickson and Brenda L. Erickson                         | Ironwood Square               | 226 Ironwood Drive                        | Coeur Dalene       | ID            | 83814            | (208) 666-4005            |
| 8077            | William J. Scharnhorst  | Lewiston Center               | 1804 19th Avenue                          | Lewiston           | ID            | 83501            | (208) 743-4462            |
| 2896            | William J. Scharnhorst  | Palouse Mall                  | 2004 W. Pullman Road, Suite G22           | Moscow             | ID            | 83843            | (208) 822-8472            |

| Center No.      | Franchisee   | Center Name                       | Address                           | City                    | State         | Zip                   | Phone                     |
|-----------------|--|-----------------------------------|-----------------------------------|-------------------------|---------------|-----------------------|---------------------------|
| 8714            | <del>Gregory P. Jeffrey R. Schonhoff and Jeffrey R. Gregory P. Schonhoff</del> | Ashton Pointe                     | 1137 North Eola Road Suite 104    | Aurora                  | IL            | 60502                 | (630) 585-8200            |
| 6607            | Robert J. Wiet, Patricia A. Wiet, and George M. Wiet                           | Shoppes @ Windmill Place          | 145 South Randall Road            | Batavia                 | IL            | 60510                 | (630) 553-5537            |
| 2705            | Christ T. Dangles and Sharon A. Dangles  | Springbrook Center                | 156 East Lake Street, Suite J     | Bloomington             | IL            | 60108                 | (630) 582-0959            |
| 6653            | Matthew A. Jones and Barbara E. Jones  | Parkway Shopping Center           | 2109 N. Veterans Parkway, Suite 8 | Bloomington             | IL            | 61704                 | (217) 529-2460            |
| <del>725</del>  | <del>Martin J. Duggan and Elizabeth A. Duggan</del>                            | <del>Heritage Plaza</del>         | <del>726 W. Army Trail</del>      | <del>Carol Stream</del> | <del>IL</del> | <del>60188</del>      | <del>(630) 483-9430</del> |
| 7056            | Martin J. Duggan and Elizabeth A. Duggan                                       | Geneva Crossing                   | 349 Geneva Road                   | Carol Stream            | IL            | 60188                 | (630) 690-6823            |
| <del>725</del>  | <del>Martin J. Duggan and Elizabeth A. Duggan</del>                            | <del>Heritage Plaza</del>         | <del>726 W. Army Trail</del>      | <del>Carol Stream</del> | <del>IL</del> | <del>60188</del>      | <del>(630) 483-9430</del> |
| <del>7853</del> | <del>Jagdish Patel and Ginny Narsula</del>                                     | <del>Washington Square</del>      | <del>1524 N. Cicero Avenue</del>  | <del>Chicago</del>      | <del>IL</del> | <del>60651-1618</del> | <del>(773) 862-5027</del> |
| 1390            | Rajesh K. Aneja and Shashi Mehra   | Street Location                   | 42 East Chicago Avenue            | Chicago                 | IL            | 60611                 | (312) 335-1608            |
| <del>5852</del> | <del>Shams U. Rehman and Atiq Rehman</del>                                     | <del>South Loop Marketplace</del> | <del>1228 S. Canal Street</del>   | <del>Chicago</del>      | <del>IL</del> | <del>60607</del>      | <del>(312) 226-3637</del> |
| <del>7853</del> | <del>Jagdish Patel and Ginny Narsula</del>                                     | <del>Washington Square</del>      | <del>1524 N. Cicero Avenue</del>  | <del>Chicago</del>      | <del>IL</del> | <del>60651-1618</del> | <del>(773) 862-5027</del> |
| 7854            | Shams U. Rehman and Atiq Rehman  | Roosevelt/Ashland Jewel Center    | 1651 W. Roosevelt Road            | Chicago                 | IL            | 60608                 | (312) 666-9111            |
| <del>5852</del> | <del>Shams U. Rehman and Atiq Rehman</del>                                     | <del>South Loop Marketplace</del> | <del>1228 S. Canal Street</del>   | <del>Chicago</del>      | <del>IL</del> | <del>60607</del>      | <del>(312) 226-3637</del> |
| 6442            | Alana Witt and Colette Harper  | The Oaks Shopping Center          | 1535 Lee Street Suite A           | Des Plaines             | IL            | 60018                 | (847) 795-1005            |

| Center No.           | Franchisee  | Center Name                                  | Address  | City                       | State              | Zip                   | Phone                          |
|----------------------|---|--|--|----------------------------|--------------------|-----------------------|--------------------------------|
| 5054                 | Raswant K. (Ginny) Jolly  | Market Plaza                                 | 585 Roosevelt Road                               | Glen Ellyn                 | IL                 | 60137                 | (630) 469-3438                 |
| 3563                 | Rajesh K. Aneja and Shashi Mehra  | Shoppes at Highland Park                     | 67 Skokie Valley Road                            | Highland Park              | IL                 | 60035                 | (847) 831-0022                 |
| 7359                 | Ghanshyam K. Patel and Daksha Patel and Ravi Patel                                  | Hoffman Village Center                       | 2577 West Golf Road, Space A-8                   | Hoffman Estates            | IL                 | 60169                 | (847) 490-3525                 |
| 5868                 | Robert J. Wiet, Patricia A. Wiet, and George M. Wiet                                | Walmart Super Plaza                          | 209 E US Rt 6                                    | Morris                     | IL                 | 60450                 | (815) 416-1048                 |
| 3564                 | Robert J. Wiet and Patricia A. Wiet and George M. Wiet                              | Randhurst Village                            | 1069 Elmhurts Road, Space M-2                    | Mt. Prospect               | IL                 | 60056                 | (847) 398-3650                 |
| <a href="#">3601</a> | <a href="#">Jeffrey R. Schonhoff and Gregory P. Schonhoff</a>                       | <a href="#">Inline Shoppes of Naperville</a> | <a href="#">2863 West 95th Street, Suite 151</a> | <a href="#">Naperville</a> | <a href="#">IL</a> | <a href="#">60564</a> | <a href="#">(331) 702-2173</a> |
| 8570                 | Rick Greenberg  | Lind North Plaza                             | 75 W. North Ave.                                 | North Lake                 | IL                 | 60164                 | (708) 409-0901                 |
| 5096                 | John W. Stein   | Central Park Plaza                           | 1222 Central Park Drive                          | O'Fallon                   | IL                 | 62269                 | (618) 589-9500                 |
| 6857                 | Mahendra Yogina and Ila Yogina  | Deer Grove Crossing                          | 1590 N. Rand Road, Suite #D                      | Palatine                   | IL                 | 60067                 | (847) 202-1896                 |
| 7064                 | <a href="#">Gregory P. Jeffrey R. Schonhoff and Jeffrey R. Gregory P. Schonhoff</a> | Caton Crossings                              | 2312 Illinois Route 59, Suite 8                  | Plainfield                 | IL                 | 60586                 | (815) 439-7720                 |
| 2382                 | Rajesh K. Aneja and Shashi Mehra  | Forest Plaza                                 | 6373 East State Street #C02                      | Rockford                   | IL                 | 61108                 | (815) 229-3100                 |
| 7524                 | Randy Greenberg   | Marketplace @ Rolling Meadows                | 1667 Algonquin Road                              | Rolling Meadows            | IL                 | 60008                 | (847) 545-1470                 |
| 2465                 | Matthew A. Jones  | Savoy Plaza                                  | 1217 Savoy Plaza Lane                            | Savoy                      | IL                 | 61874                 | (217) 352-9548                 |

| Center No.      | Franchisee   | Center Name                         | Address                            | City                 | State         | Zip              | Phone                     |
|-----------------|--|-------------------------------------|------------------------------------|----------------------|---------------|------------------|---------------------------|
| 8036            | Martin J. Duggan and Elizabeth A. Duggan                           | Silver Glen Crossing                | 624 Randall Road                   | South Elgin          | IL            | 60177            | (847) 214-8781            |
| 2036            | Matthew A. Jones and Barbara E. Jones                              | Springfield Commons                 | 2711 North Dirksen Parkway         | Springfield          | IL            | 62702            | (217) 528-1992            |
| 1639            | Robert J. Wiet, Patricia A. Wiet, and George M. Wiet               | Tinley Park Plaza                   | 15927 S. Harlem Ave                | Tinley Park          | IL            | 60477            | (708) 633-0733            |
| 3135            | Tareq M. Akkawi  | Brookside Marketplace               | 7380 West 191st Street             | Tinley Park          | IL            | 60487            | (815) 464-5347            |
| 443             | Martin J. Duggan and Elizabeth A. Duggan                           | Danada Square West                  | 120 Danada Square West             | Wheaton              | IL            | 60187            | (630) 690-2049            |
| 1144            | Rajesh K. Aneja and Shashi Mehra                                   | Willowbrook Town Center             | 7143 Route 83                      | Willowbrook          | IL            | 60527            | (630) 789-6600            |
| <del>7879</del> | <del>Randy Greenberg</del>   | <del>Wood Dale Center</del>         | <del>357 W. Irving Park Road</del> | <del>Wood Dale</del> | <del>IL</del> | <del>60191</del> | <del>(630) 775-9544</del> |
| 1579            | David Cravens and Diane M. Cravens                                 | Southtown Center                    | 2309 Charles Street, Suite A       | Anderson             | IN            | 46013            | (765) 622-1482            |
| <del>6408</del> | <del>Ralph E. Anderson, Mary L. Anderson and Ann M. Garrison</del> | <del>Crowders Shopping Center</del> | <del>625 16th Street</del>         | <del>Bedford</del>   | <del>IN</del> | <del>47421</del> | <del>(812) 278-9414</del> |
| 3163            | Daniel S. Dennie and Sharon M. Dennie                              | Town Center of Giest Plaza          | 11760 Olio Road                    | Fishers              | IN            | 46037            | (317) 578-4000            |
| 2715            | Daniel S. Dennie and Sharon M. Dennie                              | Covington Plaza                     | 6334 W. Jefferson Boulevard        | Fort Wayne           | IN            | 46804            | (260) 432-5905            |
| 3267            | Daniel S. Dennie and Sharon M. Dennie                              | Northwood Plaza                     | 6055 Stellhorn Road                | Ft. Wayne            | IN            | 46815            | (219) 485-3320            |
| 6520            | Daniel S. Dennie and Sharon M. Dennie                              | Dupont Village West Shopping Center | 505 E. Dupont Road                 | Ft. Wayne            | IN            | 46825            | (260) 637-7222            |
| 7106            | Daniel S. Dennie and Sharon M. Dennie                              | Brandywine Plaza                    | 1539 N. State Street               | Greenfield           | IN            | 46140            | (317) 462-5402            |

| Center No. | Franchisee  | Center Name             | Address                           | City                     | State         | Zip              | Phone                     |
|------------|---|-------------------------|-----------------------------------|--------------------------|---------------|------------------|---------------------------|
| 7374       | Tonjia J. Johnson   | Greensburg Commons      | 508 Greensburg Commons            | Greensburg               | IN            | 47240            | (812) 662-8617            |
| 7017       | <del>Phillip Paige Lucas, Becky Jo Lucas and Makenna Paige Lucas</del><br>Daniel S. Dennie and Sharon M. Dennie | Meridian Parke Center   | 3100 Meridian Parke Drive         | Greenwood                | IN            | 46142            | (317) 883-3676            |
| 329        | Adam M. Turner  | Glendale Town Center    | 6101 Keystone Avenue              | Indianapolis             | IN            | 46220            | (317) 259-4895            |
| 3159       | William J. Nonte  | Jasper Southgate Center | 357 Jasper US 231                 | Jasper                   | IN            | 47546            | (812) 482-3648            |
| 6220       | Tonjia J. Johnson   | Dearborn Plaza          | 401 W. Eads Parkway, Suite 280    | Lawrenceburg             | IN            | 47025            | (812) 539-2544            |
| 6266       | Mohan T. Makwana and Gita M. Makwana  | Ridgewood Plaza         | 322 Ridge Road                    | Munster                  | IN            | 46321            | (219) 836-0615            |
| 6481       | Max C. Moore and Michelle L. Moore and Michael C. Moore   | Plainfield Commons II   | 405 Plainfield Commons Drive      | Plainfield               | IN            | 46168            | (317) 838-0317            |
| 7856       | Mohan T. Makwana and Gita M. Makwana  | Main Street Center      | 739 Main Street                   | Schereville              | IN            | 46375            | (219) 322-8960            |
| 6666       | Robert J. Wiet, Patricia A. Wiet, George M. Wiet  | Coolwood Plaza          | 2268 West 30                      | Valparaiso               | IN            | 46385            | (219) 462-9944            |
| 9242       | Carl A. Hughes and Christopher D. McKay   | Town Center Plaza       | 4837 W. 117th Street              | Leawood                  | KS            | 66211            | (913) 602-8001            |
| 376        | <del>Carl A. Hughes and Christopher D. McKay</del>  | <del>Bluhawk</del>      | <del>7749 West 159th Street</del> | <del>Overland Park</del> | <del>KS</del> | <del>66223</del> | <del>(913) 258-5544</del> |
| 1870       | Carl A. Hughes and Christopher D. McKay   | Metcalf 91 Shops        | 9109 Metcalf Avenue               | Overland Park            | KS            | 66212            | (913) 383-8400            |
| 6492       | Huned A. Gangriwala and Amy E. Bryant   | Antioch Shops           | 8716 W 135th Street               | Overland Park            | KS            | 66221            | (913) 681-0349            |

| Center No.           | Franchisee   | Center Name                                 | Address  | City                      | State              | Zip                   | Phone   |
|----------------------|--|---|--|---------------------------|--------------------|-----------------------|---|
| 9517                 | Huned A. Gangriwala and Amy E. Bryant                      | Shawnee Station S/C                         | 15810-E Shawnee Mission Parkway, Space E           | Shawnee                   | KS                 | 66217                 | (913) 962-8500  |
| 362                  | Gregory W. Draper  | Greenwich Place                             | 2688 N Greenwich Court, Suite 200                  | Wichita                   | KS                 | 67226                 | (316) 651-5886  |
| 7726                 | Gregory W. Draper  | New Market Square                           | 2441 North Maize Street, Space #2505               | Wichita                   | KS                 | 67205                 | (316) 773-3982  |
| 7468                 | Bruce R. Seidel, III and Sarah H. Seidel                   | Shoppes @ Burlington                        | 1773 Patrick Drive                                 | Burlington                | KY                 | 41005                 | (859) <del>689-</del><br><a href="tel:49007608408">4900760-8408</a> |
| <a href="#">3612</a> | <a href="#">Bruce R. Seidel, III and Sarah H. Seidel</a>   | <a href="#">Crestview Hills Town Center</a> | <a href="#">2929 Dixie Highway</a>                 | <a href="#">Covington</a> | <a href="#">KY</a> | <a href="#">41017</a> | <a href="#">(859) 760-7098</a>                                      |
| 6954                 | Bruce R. Seidel, III and Sarah H. Seidel                   | Expressway Plaza                            | 2176 Dixie Hwy                                     | Fort Mitchell             | KY                 | 41017                 | (859) 344-1111  |
| 6851                 | Bruce R. Seidel, III and Sarah H. Seidel                   | Hamburg Pavillion                           | 2160 Sir Barton Way Unit #120                      | Lexington                 | KY                 | 40509                 | (859) 543-1670  |
| 6841                 | Sarah A. Cook and Andrew J. Cook                           | Cedar Springs Shopping Center               | 6762 Bardstown Road                                | Louisville                | KY                 | 40291                 | (502) 231-0462  |
| 7217                 | Bruce R. Seidel, III and Sarah H. Seidel                   | Newport Shopping Center                     | 1785 Monmouth Street                               | Newport                   | KY                 | 41071                 | (859) <del>431-</del><br><a href="tel:46383074011">4638307-4011</a> |
| 2759                 | Christopher W. Pixley and Cynthia D. Pixley                | Siegen Plaza                                | 6725 Siegen Lane, Suite V                          | Baton Rouge               | LA                 | 70809                 | (225) 368-4841  |
| 2378                 | Scott M. Robichaux and Teresa B. Robichaux                 | Juban Crossing                              | 27306 Crossing Circle, Suite 260                   | Denham Springs            | LA                 | 70726                 | (225) 380-1888  |
| 7638                 | Christopher W. Pixley and Cynthia D. Pixley                | Cornerview Center                           | 1203 E. Cornerview Street Suite E                  | Gonzales                  | LA                 | 70737-3038            | (225) 644-7716  |
| 429                  | Scott M. Robichaux and Teresa B. Robichaux                 | Hammond Square                              | 514 Palace Drive                                   | Hammond                   | LA                 | 70403                 | (985) 543-3581  |
| <a href="#">9583</a> | <a href="#">Scott M. Robichaux and Teresa B. Robichaux</a> | <a href="#">Elmwood Village Plaza</a>       | <a href="#">1130 S. Clearview Parkway, Suite C</a> | <a href="#">Harahan</a>   | <a href="#">LA</a> | <a href="#">70123</a> | <a href="#">(504) 345-2918</a>                                      |

| Center No.      | Franchisee  | Center Name                        | Address                               | City                   | State         | Zip              | Phone   |
|-----------------|---|------------------------------------|---------------------------------------|------------------------|---------------|------------------|---|
| 7971            | Scott M. Robichaux and Teresa B. Robichaux            | St. Ann Place Shopping Center      | 2 St. Ann Street, Suite 2             | Mandeville             | LA            | 70471            | (985) <del>630-</del><br><a href="tel:47408713097">4740871-3097</a> |
| 9386            | Austin J. Webb  | Belle Promenade Mall               | 1700 Promenade Blvd., Suite 601       | Marrero                | LA            | 70072            | (504) 347-3585  |
| 3821            | Scott M. Robichaux and Teresa B. Robichaux            | Westgate Shopping Center           | 8847 Veterans Blvd.                   | Metairie               | LA            | 70003            | (504) <del>463-</del><br><a href="tel:00802874177">0080287-4177</a> |
| <del>9583</del> | <del>Scott M. Robichaux and Teresa B. Robichaux</del> | <del>Elmwood Village Plaza</del>   | <del>1130 S. Clearview Parkway</del>  | <del>New Orleans</del> | <del>LA</del> | <del>70123</del> | <del>(504) 731-2921</del>   |
| 2086            | Joseph J. Mangino and Jennifer F. Mangino             | Eagle Plaza @ Ruston               | 1405 Eagle Drive, Box # 11            | Ruston                 | LA            | 71270            | (318) 513-1156  |
| 3873            | Shad L. Erkintalo and Katherine T. Erkintalo          | Fremaux Town Center                | 156 Town Center Parkway               | Slidell                | LA            | 70458            | (985) 643-9810  |
| 5904            | Abbas Qutab and Mozam S. Qutab                        | Church Park                        | 225-B Massachusetts Avenue            | Boston                 | MA            | 02115            | (617) 375-1002  |
| 440             | Joseph Discordia and Thomas J. Discordia              | East Village Square                | 2 Worcester Road                      | Webster                | MA            | 01570            | (508) 943-4825  |
| <del>8737</del> | <del>David J. Picarello</del>                         | <del>The Porter Brewers Hill</del> | <del>3700 Toone Street, Suite E</del> | <del>Baltimore</del>   | <del>MD</del> | <del>21224</del> | <del>(410) 558-0064</del>   |
| 2368            | Jason N. Salafia and Scott J. Salafia                 | Westview Mall                      | 5810 Baltimore National Pike          | Baltimore              | MD            | 21228            | (410) 788-7004  |
| <del>8737</del> | <del>Eqab Ahmad</del>                                 | <del>The Porter Brewers Hill</del> | <del>3700 Toone Street, Suite E</del> | <del>Baltimore</del>   | <del>MD</del> | <del>21224</del> | <del>(410) 558-0064</del>   |
| 739             | Darryl V. Green                                       | Wildwood Shopping Center           | 23415 Three Notch Road                | California             | MD            | 20619            | (301) 737-2821  |
| 8992            | Jason N. Salafia and Scott J. Salafia                 | North Plaza                        | 8950 Waltham Woods Road               | Carney                 | MD            | 21234            | (410) 661-7509  |
| 3194            | Jason N. Salafia and Scott J. Salafia                 | Clinton Crossing                   | 8793 Branch Avenue                    | Clinton                | MD            | 20735            | (301) 856-9034  |

| Center No.               | Franchisee  | Center Name                                    | Address  | City                                | State | Zip            | Phone                                       |
|--------------------------|---|--|--|-------------------------------------|-------|----------------|---|
| <del>168356</del><br>356 | <del>Yasin Hussain, Jason N. Salafia and Scott J. Salafia</del><br>Tahira Hussain | <del>Yorktowne Plaza</del><br>Westview Village | <del>60 Cranbrook Road</del><br>5100 Buckeystown Pike, Suite 170 | <del>Frederick</del><br>Cockeyville | MD    | 210302<br>1704 | <del>(410) 683-3414</del><br>(240) 439-4551 |
| 3085                     | Tahira Hussain and Yasin Hussain  | Clemson Corner                                 | 7820 Wormans Mill Road, Suite P                                  | Frederick                           | MD    | 21701          | (301) 662-6667                              |
| 7405                     | Mian Azhar Ahsan and Muhammad Omer Azhar  | Maryland City Plaza                            | 3467 Laurel Fort Mead Road                                       | Laurel                              | MD    | 20707          | (301) 497-1100                              |
| 7831                     | Eqab Ahmad  | Centre at Laurel                               | 13600 Baltimore Avenue, Space 102                                | Laurel                              | MD    | 20707          | (301) 604-0040                              |
| 6361                     | Kenneth Scott Purcell   | Festival @ Waldorf                             | 3038 Festival Way  | Waldorf                             | MD    | 20601          | (301) 645-5205                              |
| 2608                     | Rajeev Gupta and Ramzi El-Achkar  | Grand Crossing S. C.                           | 9864 East Grand River Ave, Suite 190                             | Brighton                            | MI    | 48116          | (810) 220-0125                              |
| 3422                     | David W. Ruble and Marci E. Ruble   | New Towne Plaza                                | 44576 Ford Road  | Canton                              | MI    | 48187          | (734) 453-8747                              |
| 6120                     | Rajeev Gupta and Ramzi El-Achkar  | Holiday Center                                 | 36680 Garfield Rd.   | Clinton Township                    | MI    | 48035          | (586) 792-6666                              |
| 6065                     | Nawal Bittar and Hussein Bittar   | Fairlane Meadows                               | 16201 Ford Road  | Dearborn                            | MI    | 48126          | (313) 271-5295                              |
| 5847                     | Rajeev Gupta and Ramzi El-Achkar  | Ferndale Plaza                                 | 22831 Woodward Ave.  | Ferndale                            | MI    | 48220          | (248) 542-4573                              |
| 3165                     | Rajeev Gupta and Ramzi El-Achkar  | Pointe Plaza                                   | 22337 Moross Rd.   | Grosse Pointe Woods                 | MI    | 48236          | (313) 881-4462                              |
| 6041                     | <del>Rajeev Gupta and Ramzi El-Achkar</del>                                       | <del>Grand River Plaza</del>                   | <del>3641 E. Grand River Avenue</del>                            | <del>Howell</del>                   | MI    | 48843          | <del>(517) 548-0826</del>                   |
| 5412                     | Muhammad S. Hanif and Rizwana Hanif   | Newburgh Plaza                                 | 37281 West Six Mile Road   | Livonia                             | MI    | 48152          | (734) 779-0095                              |
| 6689                     | <del>Muhammad S. Hanif and Rizwana Hanif</del>                                    | <del>Wonderland Village</del>                  | <del>29635 Plymouth Road</del>                                   | <del>Livonia</del>                  | MI    | 48150          | <del>(734) 422-1899</del>                   |

| Center No.          | Franchisee  | Center Name  | Address  | City            | State | Zip        | Phone          |
|---------------------|---|--|--|-----------------|-------|------------|----------------|
| 2261                | Robert J. Balch and Martin T. Whalen                                    | Midland Mall                                       | 6800 Eastman Road Suite #524                                 | Midland         | MI    | 48642      | (989) 631-2490 |
| 2362                | Robert J. Balch and Martin T. Whalen                                    | Mt. Pleasant Shopping Center                       | 2155 South Mission   | Mt. Pleasant    | MI    | 48858      | (989) 773-2150 |
| 7645                | David W. Ruble and Marci E. Ruble                                       | Westmarket Square                                  | 47780 Grand River Ave  | Novi            | MI    | 48374      | (248) 305-8208 |
| <del>491</del> 1008 | Rajeev Gupta and Ramzi El-Achkar  | <del>Bear Creek Crossing</del><br>Victories Square | <del>2180 Anderson Road, Suite 120</del> 1349 Victories Lane | Petoskey        | MI    | 49770      | (231) 487-1995 |
| 7586                | Nawal Bittar and Hussein Bittar   | Redford Plaza                                      | 9367 Telegraph Road  | Redford         | MI    | 48239      | (313) 592-1017 |
| 8279                | Rajeev Gupta and Ramzi El-Achkar  | WalMart Supercenter                                | 2536 S. Adams Road   | Rochester Hills | MI    | 48309      | (248) 844-0102 |
| 6325                | Robert J. Balch and Martin T. Whalen                                    | Westwood Plaza                                     | 1802 Lawndale Drive  | Saginaw         | MI    | 48603      | (989) 791-5115 |
| 7577                | Patricia Palombit and Raymond Palombit                                  | Commons @ Sauk Trail                               | 1321 Michigan Ave.   | Saline          | MI    | 48176      | (734) 944-5688 |
| 6859                | <del>Rajeev Gupta and</del> Ramzi El-Achkar <del>and Rajeev Gupta</del> | Tel-Twelve Shopping Center                         | 28300 Telegraph Road   | Southfield      | MI    | 48034      | (248) 352-2518 |
| 6215                | Mohammad Abdrabboh and Nancy Marini                                     | Southgate Shopping Center                          | 13725 Eureka Rd  | Southgate       | MI    | 48195-1352 | (734) 285-5305 |
| 5017                | Rajeev Gupta and Ramzi El-Achkar  | Midtown Square                                     | 1361 Coolidge Hwy  | Troy            | MI    | 48084-7017 | (248) 614-9277 |
| 6135                | Rajeev Gupta and Ramzi El-Achkar  | Heritage Valley                                    | 29239 Mound Road   | Warren          | MI    | 48092      | (248) 558-1060 |
| 6241                | Ami E. <a href="#">Kekel and Matthew Kekel</a>                          | Park Place Center                                  | 7781-26 Mile Road  | Washington      | MI    | 48094      | (586) 677-0800 |
| 8812                | Zohreh Zimmerman  | West Bloomfield Plaza                              | 6738 Orchard Lake Road                                       | West Bloomfield | MI    | 48322      | (248) 851-4740 |

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|------------|---|-----------------------------|---|---------------|-------|-------|----------------|
| 7349       | Rajeev Gupta and Ramzi El-Achkar  | Super Kroger Center         | 31288 Michigan Avenue                     | Westland      | MI    | 48185 | (734) 727-4621 |
| 5881       | Patrick W. Mercier  | Woodhaven Commons           | 19077 West Road                           | Woodhaven     | MI    | 48183 | (734) 692-6545 |
| 2280       | Christopher J. DuBois and Shelley L. DuBois   | Victory Village             | 1510 109th Avenue, NE                     | Blaine        | MN    | 55449 | (763) 785-6430 |
| 5318       | <a href="#">Carl A. Hughes and Christopher J. DuBois and Chad W. Raymond D. McKay</a> | Valley West Shopping Center | 10604A France Avenue South                | Bloomington   | MN    | 55431 | (952) 888-6850 |
| 6972       | Matthew L. Burnham and Maria L. Jondahl   | Park Place Promenade        | 9686 Colorado Lane North                  | Brooklyn Park | MN    | 55445 | (763) 242-0595 |
| 3700       | Christopher J. DuBois   | West Village S/C            | 848 W. 78th St.- P.O. Box 443             | Chanhassen    | MN    | 55317 | (952) 474-8284 |
| 5284       | <a href="#">Carl A. Hughes and Christopher J. DuBois and Chad W. Raymond D. McKay</a> | Chaska Commons              | 228 Pioneer Trail                         | Chaska        | MN    | 55318 | (952) 368-3389 |
| 7273       | Carl A. Hughes and Christopher D. McKay   | Cottage Grove               | 8711 S. East Point Douglas Road, Suite 10 | Cottage Grove | MN    | 55016 | (651) 458-0182 |
| 8854       | Carl A. Hughes and <del>Chrisopher</del> Christopher D. McKay                         | Forest Lake Marketplace     | 2009 W. Broadway                          | Forest Lake   | MN    | 55025 | (651) 982-0926 |
| 5015       | <a href="#">Carl A. Hughes and Christopher J. DuBois and Chad W. Raymond D. McKay</a> | Southfork Shopping Center   | 17721 Kenwood Trail                       | Lakeville     | MN    | 55044 | (952) 435-2198 |
| 1797       | Carl A. Hughes and Christopher D. McKay   | Mankato Heights Plaza       | 1901 Madson Avenue                        | Mankato       | MN    | 56001 | (507) 720-6219 |
| 3769       | Christopher J. DuBois and Shelley L. DuBois   | The Grove Village           | 15525 Circle North                        | Maple Grove   | MN    | 55369 | (763) 416-3872 |

| Center No. | Franchisee  | Center Name                               | Address                                  | City           | State | Zip   | Phone          |
|------------|---|---|--|----------------|-------|-------|----------------|
| 5341       | Kazim Abbas Khan  | Quarry Retail                             | 1720 New Brighton Blvd., Suite 103       | Minneapolis    | MN    | 55413 | (612) 261-9330 |
| 1948       | <a href="#">Carl A. Hughes and Christopher J. DuBois and Chad W. Raymond D. McKay</a> | Plymouth Marketplace                      | 3505 Vicksburgh Lane North               | Plymouth       | MN    | 55447 | (763) 557-5195 |
| 6989       | Christopher J. DuBois and Shelley L. DuBois   | Hub Shopping Center                       | 94 West 66th Street                      | Richfield      | MN    | 55423 | (612) 869-9295 |
| 7837       | Christopher J. DuBois and Shelley L. DuBois   | Park Place Plaza                          | 1650 Park Place Boulevard                | St. Louis Park | MN    | 55416 | (952) 544-0232 |
| 8799       | Carl A. Hughes and Christopher D. McKay   | Stillwater Marketplace                    | 1980 Market Drive                        | Stillwater     | MN    | 55082 | (651) 430-9716 |
| 8427       | Matthew C. Rogers and Sarah N. Carnes   | Grindstone Plaza                          | 1205 Grindstone Pkwy, Ste 103            | Columbia       | MO    | 65201 | (573) 874-0940 |
| 8031       | Shamim Rabbani  | Heritage Place Shopping Center            | 12591 Olive Boulevard                    | Creve Coeur    | MO    | 63141 | (314) 453-9599 |
| 9294       | Carl A. Hughes and Christopher D. McKay   | North Park Crossing                       | 323 S. Rangeline Road, Suite 400         | Joplin         | MO    | 64801 | (417) 317-5174 |
| 5009       | <a href="#">Brian S. Caldwell and Kristina M. Caldwell</a>                            | Dierbergs Lakeview Pointe Shopping Center | 4645 Osage Beach Parkway                 | Osage Beach    | MO    | 65065 | (573) 302-7415 |
| 3025       | Carl A. Hughes and Christopher D. McKay   | Parkville Commons                         | 6325 Lewis Street, Suite 106             | Parkville      | MO    | 64152 | (816) 382-3408 |
| 7019       | <a href="#">Brian S. Caldwell and Kristina M. Caldwell</a>                            | Thompson Hills S/C                        | 3141 A West Broadway                     | Sedalia        | MO    | 65301 | (660) 826-7003 |
| 6020       | Carl A. Hughes and Christopher D. McKay   | James River Town Center                   | 1839 East Independence Street            | Springfield    | MO    | 65804 | (417) 882-3500 |
| 7600       | Christopher L. Gregory and Dorothy A. Gregory   | Santa Fe Trail                            | 609 A-3 East Young Street, Suite 609 A-3 | Warrensburg    | MO    | 64093 | (660) 429-5567 |

| Center No.      | Franchisee   | Center Name                 | Address                           | City                | State         | Zip              | Phone                     |
|-----------------|--|-----------------------------|-----------------------------------|---------------------|---------------|------------------|---------------------------|
| 6377            | Joseph J. Mangino  | Crossgate Corners           | 315 Crossgate Boulevard           | Brandon             | MS            | 39042            | (601) 824-1155            |
| 5331            | Joseph J. Mangino and Jennifer F. Mangino                                  | Clinton Crossing            | 111 Hwy 80 East, Suite B          | Clinton             | MS            | 39056            | (601) 925-5001            |
| <del>2476</del> | <del>Sarah D. Coxwell and Cary D. Coxwell</del>                            | <del>Leigh Mall</del>       | <del>1404 Old Aberdeen Road</del> | <del>Columbus</del> | <del>MS</del> | <del>39705</del> | <del>(662) 328-4450</del> |
| 7783            | Shad L. Erkintalo and Katherine T. Erkintalo                               | The Promenade D'Iberville   | 3821 Promenade Parkway Suite O-3  | D'Iberville         | MS            | 39540            | (228) 396-1536            |
| 9532            | Wallace H. Kirk, Linda P. Kirk, and Liza K. Sammons and Russell D. Sammons | Dogwood Promenade           | 122 Promenade Ave, Space 2-B      | Flowood             | MS            | 39232            | (601) 992-6938            |
| 8833            | Scott M. Robichaux and Teresa B. Robichaux                                 | Unnamed Center              | 3317 Hardy Street, Suite 60       | Hattiesburg         | MS            | 39401            | (601) 336-8103            |
| 2829            | Wallace H. Kirk, Linda P. Kirk, and Liza K. Sammons                        | The Forum at Grandview      | 175 Grandview Blvd., #420         | Madison             | MS            | 39110            | (601) 605-2200            |
| 6925            | Franklin K. Carmical   | The Shops of Crumpler Place | 7447 Goodman Road                 | Olive Branch        | MS            | 38654            | (662) 893-3871            |
| 9404            | Franklin K. Carmical   | Goose Creek Mall            | 2214 West Jackson Ave.            | Oxford              | MS            | 38655            | (662) 234-5687            |
| 6420            | Shad Erkintalo   | Shipyard Plaza              | 4115 Denny Avenue                 | Pascagoula          | MS            | 39581            | (228) 769-8751            |
| 6526            | Joseph J. Mangino and Jennifer F. Mangino                                  | The Outlet at Bloomfield    | 200 Bass Pro Drive                | Pearl               | MS            | 39208            | (601) 939-0003            |
| 8113            | Scott M. Robichaux and Teresa B. Robichaux                                 | Walmart Center              | 231 Frontage Road                 | Picayune            | MS            | 39466            | (601) 799-3775            |
| 9168            | Sarah D. Coxwell and Cary D. Coxwell                                       | 911 Highway West            | 911 Hwy 12 West, Suite 206B       | Starkville          | MS            | 39759            | (662) 323-4919            |

| Center No.            | Franchisee  | Center Name                                    | Address  | City                               | State         | Zip                      | Phone                                       |
|-----------------------|---|--|--|------------------------------------|---------------|--------------------------|---|
| 423                   | Joseph J. Mangino and Jennifer F. Mangino   | Vicksburg Shadow Center                        | 2314 Iowa Blvd., #500                              | Vicksburg                          | MS            | 39180                    | (601) 638-9168                              |
| <del>9312</del>       | <del>Carter F. Dalton and Laura E. Dalton</del>   | <del>Beaver Creek Commons</del>                | <del>1071 Beaver Creek Commons</del>               | <del>Apex</del>                    | <del>NC</del> | <del>27502</del>         | <del>(919) 629-4070</del>                   |
| 2651                  | Sarah D. Coxwell and Cary D. Coxwell  | Skyland Plaza                                  | 1863 Hendersonville Road, Suite 120                | Asheville                          | NC            | 28803                    | (828) 277-0313                              |
| 3739                  | Van E. Morris and Sherman McKinney, III   | Carmel Commons                                 | 7631 Pineville Road                                | Charlotte                          | NC            | 28226                    | (704) 543-2796                              |
| 6836                  | Margaret J. Corrigan  | Gateway @ Northpointe                          | 1804-B North Pointe Drive                          | Durham                             | NC            | 27705                    | (919) 620-7882                              |
| 1030                  | Carter F. Dalton and Laura E. Dalton  | Fuquay Crossing                                | 1353 East Broad Street                             | Fuquay Varina                      | NC            | 27526                    | (919) 557-5848                              |
| 7286                  | Carter F. Dalton and Laura E. Dalton  | White Oak Crossing                             | 128 Shenstone Boulevard                            | Garner                             | NC            | 27529                    | (919) 779-3755                              |
| 8817                  | Van E. Morris and Sherman McKinney, III   | Franklin Square S/C                            | 3044 East Franklin Blvd                            | Gastonia                           | NC            | 28052                    | (704) 867-6141                              |
| 8610                  | Carter F. Dalton and Laura E. Dalton <del>and Hunter L. Baker and Rachel N. Baker</del> | Holly Springs Town Center                      | 163 Grand Hills Place                              | Holly Springs                      | NC            | 27540                    | (919) 552-2171                              |
| 1832                  | <del>Carter F. Dalton and Laura E. Dalton</del> Seth D. Waller                          | Southside Square                               | 1022-H South Main Street                           | Kernersville                       | NC            | 27284                    | (336) 904-6006                              |
| <del>3655</del><br>54 | <del>Barbara Goodwin Lupton</del> Seth D. Waller  | <del>Cypress Bay Lexington Parkway Plaza</del> | <del>5167 Highway 70 Site 1517 Parkway Plaza</del> | <del>Lexington Morehead City</del> | NC            | <del>28557</del><br>7292 | <del>(252) 808-3900</del><br>(336) 843-1200 |
| 1029                  | Carter F. Dalton and Laura E. Dalton  | Park West                                      | 1604 Village Market Place                          | Morrisville                        | NC            | 27560                    | (919) 467-4073                              |
| 3788                  | John R. Johnson and Janice R. Johnson and Bobby Allen                                   | Granite Town Center                            | 692 S Andy Griffith Parkway                        | Mt. Airy                           | NC            | 27030                    | (336) 789-8697                              |

| Center No.                      | Franchisee   | Center Name  | Address  | City               | State         | Zip                   | Phone                             |
|---------------------------------|--|--|--|--------------------|---------------|-----------------------|-----------------------------------|
| 7516                            | Christopher B. McCoy                                   | Outer Banks Mall                                       | 5000 South Croatan Highway, Unit N-17 / N-18                       | Nags Head          | NC            | 27959                 | (252) 449-8083                    |
| <del>5274</del>                 | <del>Carter F. Dalton and Laura E. Dalton</del>        | <del>Stonehenge Market</del>                           | <del>7550 Creedmoore Road, Suite 103</del>                         | <del>Raleigh</del> | <del>NC</del> | <del>27613</del>      | <del>(919) 848-0980</del>         |
| 8750                            | Carter F. Dalton and Laura E. Dalton                   | The Lassiter at North Hills                            | 4421 Six Forks Road, Suite 117                                     | Raleigh            | NC            | 27609                 | (919) 787-0462                    |
| <del>5274</del> <del>9361</del> | <del>Carter F. Dalton and Laura E. Dalton</del>        | <del>Stonehenge Market Pleasant Valley Promenade</del> | <del>7550 Creedmoore Road, Suite 4036282-106 Glenwood Avenue</del> | <del>Raleigh</del> | <del>NC</del> | <del>2761327612</del> | <del>(919) 848-0980900-7273</del> |
| 6116                            | Seth D. Waller   | Innes Street Market                                    | 243 Faith Road   | Salisbury          | NC            | 28146                 | (704) 630-9393                    |
| 8991                            | Bruce R. Seidel, Jr. and Janice L. Seidel              | Shallotte Crossing                                     | 150 Shallotte Parkway Crossing, Suite 3                            | Shallotte          | NC            | 28470                 | (910) 755-5825                    |
| 8677                            | Paul W. Czesak, Florence B. Czesak, and Mark D. Czesak | Mayfaire TowneTown Center                              | 6870 Main Street   | Wilmington         | NC            | 28405                 | (910) 256-1107                    |
| 9200                            | Paul W. Czesak, Florence B. Czesak, and Mark D. Czesak | University Center                                      | 412 S. College Road, Suite 59                                      | Wilmington         | NC            | 28403                 | (910) 452-1828                    |
| 1500                            | John R. Johnson and Janice R. Johnson and Bobby Allen  | Hanes Towne Village S/C                                | 218 Harvey Street  | Winston-Salem      | NC            | 27103                 | (336) 724-6855                    |
| 5109                            | Nathan D. Hanson and Ralph P. Hanson                   | Twin Creek Plaza                                       | 3906 Twin Creek Drive, Suite #101                                  | Bellevue           | NE            | 68123                 | (402) 291-4228                    |
| <del>5252</del>                 | <del>Nathan D. Hanson and Megan J. Hanson</del>        | <del>Parkhaus Retail Shops</del>                       | <del>1317 Q Street, Suite 120</del>                                | <del>Lincoln</del> | <del>NE</del> | <del>68508</del>      | <del>(402) 261-4783</del>         |
| 589                             | Carl A. Hughes and Christopher D. McKay                | Lakeside Plaza   | 17406 Lakeside Hills Plaza   | Omaha              | NE            | 68130                 | (402) 330-3220                    |
| <del>993365</del> <del>4</del>  | <del>Carl A. Hughes and Christopher D. McKay</del>     | <del>Eagle Run Plaza</del>                             | <del>13362 W. Maple Road 13110 Birch Drive, space# 128</del>       | <del>Omaha</del>   | <del>NE</del> | <del>68164</del>      | <del>(402) 493-4484</del>         |

| Center No. | Franchisee                                       | Center Name                       | Address                       | City           | State | Zip   | Phone          |
|------------|--|-----------------------------------|-------------------------------|----------------|-------|-------|----------------|
| 2579       | Gary M. Woodward and Timothy C. Woodward         | Fort Eddy Plaza                   | 40 Fort Eddy Road             | Concord        | NH    | 03301 | (603) 224-4308 |
| 2473       | -Gary M. Woodward and Timothy C. Woodward        | Woodward's Nutrition Center, Inc. | 1 Brickyard Square            | Epping         | NH    | 03042 | (603) 679-3434 |
| 3299       | Gary M. Woodward and Timothy C. Woodward         | Market Basket Plaza               | 1500 Lafayette Road, Suite 4  | Portsmouth     | NH    | 03801 | (603) 427-1613 |
| 5702       | Eric S. Miller                                   | Town Center Plaza                 | 319 Route 130 North           | East Windsor   | NJ    | 08520 | (609) 448-3257 |
| 6175       | Vincent P. Cacace and Denise M. Cacace           | Edgewater Marketplace             | 725 River Road                | Edgewater      | NJ    | 07020 | (201) 941-5430 |
| 997        | Ketan Patel and Krishna Patel                    | Franklin Town Center              | 3391 Route 27, Space 119      | Franklin Park  | NJ    | 08823 | (732) 940-9370 |
| 1757       | Satish K. Shoor, Suman Shoor and Rohit K. Shoor  | Garwood Mall                      | 300 South Avenue #12          | Garwood        | NJ    | 07027 | (908) 654-1600 |
| 5995       | Amedeo L. DiSarro                                | Valley Mall Shopping Center       | 977 Valley Road               | Gillette       | NJ    | 07933 | (908) 626-1000 |
| 3530       | Kumar Aditya                                     | Summit Plaza                      | 370 W. Pleasantview Ave.      | Hackensack     | NJ    | 07601 | (201) 343-4033 |
| 3684       | Pankaj Kapoor and Sheetal Kapoor                 | Riverfront Plaza S/C              | 500 South River Street        | Hackensack     | NJ    | 07601 | (201) 296-0250 |
| 9193       | Eric S. Miller                                   | Hamilton Marketplace              | 140 Market Place Blvd         | Hamilton       | NJ    | 08691 | (609) 581-6608 |
| 3934       | Eric S. Miller                                   | Aldrich Shopping Center, Space 18 | 4063 Route 9 North            | Howell         | NJ    | 07731 | (732) 367-7778 |
| 3799       | Satish K. Shoor, Suman Shoor, and Rohit K. Shoor | Walmart Center                    | 220 Harrison Avenue, Suite A7 | Kearny         | NJ    | 07032 | (201) 628-2054 |
| 8555       | Eric S. Miller                                   | The Marketplace                   | 1230 Chews Landing Road       | Laurel Springs | NJ    | 08021 | (856) 309-5700 |

| Center No.      | Franchisee                                       | Center Name                            | Address                            | City                      | State         | Zip              | Phone                     |
|-----------------|--|--|------------------------------------|---------------------------|---------------|------------------|---------------------------|
| 3021            | Satish K. Shoor and Suman Shoor                  | Aviation Plaza                         | 685 W. Edgar Drive                 | Linden                    | NJ            | 07036            | (908) 525-0303            |
| 6648            | Melba E. Novillo                                 | Market Place @ Manville                | 148 N. Main St.                    | Manville                  | NJ            | 08835            | (908) 253-9515            |
| 1825            | Eric S. Miller                                   | Marlton Crossing                       | 209 South Route 73                 | Marlton                   | NJ            | 08053            | (856) 988-0086            |
| 5060            | Satish K. Shoor and Suman Shoor and Rohit Shoor  | Morris Plains Shopping Center          | 1711 State Route 10, Space F       | Morris Plains             | NJ            | 07950            | (973) 539-0179            |
| 2329            | Pankaj K. Patel and Vibha P. Patel               | Commerce Center                        | 2431 US Highway 1                  | North Brunswick           | NJ            | 08902            | (732) 640-1010            |
| <del>8819</del> | <del>Eric S. Miller</del>                        | <del>Middlebrook Shopping Center</del> | <del>1586 Route 35 South</del>     | <del>Ocean Township</del> | <del>NJ</del> | <del>07712</del> | <del>(732) 695-0009</del> |
| 2109            | Idrees Kalu and Tasleem Siddiqi                  | Harmon Plaza                           | 700 Plaza Drive                    | Secaucus                  | NJ            | 07094            | (201) 348-9549            |
| 2475            | Satish K. Shoor, Suman Shoor, and Rohit K. Shoor | Oak Park Commons Shopping Center       | <del>907-A907A</del> Oak Tree Road | South Plainfield          | NJ            | 07080            | (908) 791-4462            |
| 6780            | Shanti S. Mehta                                  | General Green Shopping Center          | 225 Morris Avenue                  | Springfield               | NJ            | 07081            | (973) 921-1770            |
| 6308            | Rakhshinda J. Hasan and Rakshanda J. Hussaini    | Capital Plaza                          | 1564 North Olden Avenue            | Trenton                   | NJ            | 08638            | (609) 695-0500            |
| 5795            | Pankaj Kapoor                                    | Union Plaza Shopping Center            | 2401 Highway 22 West               | Union                     | NJ            | 07083            | (908) 964-4300            |
| 3550            | Virinderpal Singh and Suchet Kandhari            | Pilgrim Shopping Center                | 343 Pompton Avenue                 | Verona                    | NJ            | 07044            | (973) 857-8557            |
| 6591            | Pankaj Kapoor                                    | Wallington Plaza                       | 375 Paterson Avenue                | Wallington                | NJ            | 07057            | (201) 635-9666            |

| Center No.           | Franchisee   | Center Name                       | Address                                 | City                       | State              | Zip                   | Phone                          |
|----------------------|--|-----------------------------------|---|----------------------------|--------------------|-----------------------|--------------------------------|
| 3483                 | Ramon Santos, Josefa Santos, and Griselda Betancourt | 52-10 Bergenline Ave.             | 52-10 Bergenline Ave.                   | West New York              | NJ                 | 07093                 | (201) 392-9555                 |
| 3481                 | Melba E. Novillo                                     | Essex Green Shopping Center       | 1280 Prospect Avenue                    | West Orange                | NJ                 | 07052                 | (973) 731-8620                 |
| 3755                 | Eric S. Miller                                       | Westmont Plaza                    | 690 Cuthbert Blvd.                      | Westmont                   | NJ                 | 08108                 | (856) 869-4484                 |
| 6225                 | Anna J.S. Huh, Young H. Huh, and Angela K.S. Huh     | Westwood Plaza                    | 700-84 Broadway                         | Westwood                   | NJ                 | 07675                 | (201) 594-0110                 |
| 1296                 | Amal K. Aditya and Teresa Aditya                     | Plaza 46                          | 1550 US Highway 46                      | Woodland Park              | NJ                 | 07424                 | (973) 812-5000                 |
| 1148                 | Kenneth J. Powell and Lori J.S. Powell               | Health Haven                      | 1619 San Mateo NE                       | Albuquerque                | NM                 | 87110                 | (505) 265-4830                 |
| 7180                 | Shawn C. Jensen                                      | Elko Junction                     | 2503 Mountain City Hwy., Space 110      | Elko                       | NV                 | 89801                 | (775) 753-8282                 |
| 5815                 | Daniel K. K. Leung and Ying Wu                       | Maryland Crossing Shopping Center | 4055 S. Maryland Parkway, #4010         | Las Vegas                  | NV                 | 89119                 | (702) 866-0682                 |
| 6598                 | Suzette M. Demery and Christopher D. Demery          | Silverado Ranch Plaza             | 9875 S. Eastern Avenue, Suite E-3       | Las Vegas                  | NV                 | 89129                 | (702) 614-1081                 |
| 5004                 | Manuel A. Oviedo and Feliza Garcia                   | Camino El Norte Gateway Plaza     | 1306 West Craig Road, Suite D           | North Las Vegas            | NV                 | 89032                 | (702) 642-9334                 |
| <a href="#">2811</a> | <a href="#">Khurram Naseem</a>                       | <a href="#">Greybarn Shops</a>    | <a href="#">805 Broadway, Suite 101</a> | <a href="#">Amityville</a> | <a href="#">NY</a> | <a href="#">11701</a> | <a href="#">(631) 320-2502</a> |
| 9135                 | Veeran C. Kutty and Raziya P. Kutty                  | Baldwin Plaza                     | 682 Sunrise Highway                     | Baldwin                    | NY                 | 11510                 | (516) 868-1300                 |
| <a href="#">1626</a> | <a href="#">Qaisar Mahmood</a>                       | <a href="#">42-09 Bell Blvd</a>   | <a href="#">42-09 Bell Boulevard</a>    | <a href="#">Bayside</a>    | <a href="#">NY</a> | <a href="#">11361</a> | <a href="#">(718) 352-0034</a> |
| 7530                 | Khurram Naseem                                       | Storefront                        | 61-06 Springfield Boulevard             | Bayside                    | NY                 | 11364                 | (718) 224-2711                 |

| Center No. | Franchisee                              | Center Name                                     | Address  | City          | State | Zip   | Phone          |
|------------|---|---|--|---------------|-------|-------|----------------|
| 1626       | Qaisar Mahmood                          | 42-09 Bell Blvd                                 | 42-09 Bell Boulevard   | Bayside       | NY    | 11361 | (718) 352-0034 |
| 1139       | Jin Woo Yi and Ho Jin Yoo               | Bridgehampton Commons                           | 2044 Montauk Highway #72                                     | Bridgehampton | NY    | 11976 | (631) 537-5218 |
| 722        | Nadeem A. Choudhry                      | Storefront                                      | 52 East Fordham Road   | Bronx         | NY    | 10468 | (718) 220-8143 |
| 8713       | Sajid Mehmood and Rashida Sajid         | Storefront                                      | 2958 Third Avenue  | Bronx         | NY    | 10455 | (718) 292-4304 |
| 722        | Nadeem A. Choudhry                      | Storefront                                      | 52 East Fordham Road   | Bronx         | NY    | 10468 | (718) 220-8143 |
| 8102       | Veeran C. Kutty and Raziya P. Kutty     | Town Center at Central Islip                    | 100 S Research Pl.   | Central Islip | NY    | 11722 | (631) 582-2591 |
| 6096       | Hua Shan Chen and Hong Xin Luo          | Commack Shopping Center                         | 14 Veterans Highway  | Commack       | NY    | 11725 | (631) 462-9761 |
| 8540       | Hua Shan Chen and Hong Xin Luo          | Expressway Plaza                                | 2322 North Ocean Avenue                                      | Farmingville  | NY    | 11738 | (631) 736-7340 |
| 7963       | Syed Sajid Hussain                      | Whitestone Expressway Plaza                     | 30-11 Stratton Street  | Flushing      | NY    | 11354 | (718) 539-5704 |
| 9239       | Khurram Naseem                          | CVS Plaza Shopping Center                       | 214E Glen Cove Avenue  | Glen Cove     | NY    | 11542 | (516) 674-8029 |
| 1996       | Rajendra Panda                          | Forest Hills Retail                             | 73-25 Woodhaven Boulevard                                    | Glendale      | NY    | 11385 | (718) 897-7484 |
| 3072       | Faraz Naseem                            | Motor Parkway Plaza                             | 694 Motor Parkway, Suite 6                                   | Hauppauge     | NY    | 11788 | (631) 231-7475 |
| 6074       | Rajendra (Rajan) Panda and Surama Panda | 157-02 Cross Bay Blvd.                          | 157-02 Cross Bay Blvd.                                       | Howard Beach  | NY    | 11414 | (718) 487-4052 |
| 1922       | Parmeet Singh                           | <del>Nassau Mall</del> 35-25 Hempstead Turnpike | <del>360</del> 35-25 Hempstead Turnpike, <del>Space 18</del> | Levittown     | NY    | 11756 | (516) 579-0866 |

| Center No.      | Franchisee   | Center Name                    | Address                                  | City                   | State         | Zip              | Phone                     |
|-----------------|--|--------------------------------|--|------------------------|---------------|------------------|---------------------------|
| 1899            | <del>Yi Michael Shen and Henry Lee</del>                               | The Plaza at Little Neck Hills | 252-20 Northern Boulevard                | Little Neck            | NY            | 11362            | (718) 224-2685            |
| <del>2360</del> | <del>Idrees Kalu and Tasleem Siddiqi</del>                             | <del>Newburgh Mall</del>       | <del>1401 Route 300</del>                | <del>Newburgh</del>    | <del>NY</del> | <del>12550</del> | <del>(845) 566-7425</del> |
| 952             | Shuang X. Wong   | Plainview Shopping Center      | 349 South Oyster Bay Road, #12           | Plainview              | NY            | 11803            | (516) 433-4824            |
| <u>9822</u>     | <u>Rehan Ashraf</u>  | <u>Soundview Plaza</u>         | <u>17 Soundview Marketplace, Unit 17</u> | <u>Port Washington</u> | <u>NY</u>     | <u>11050</u>     | <u>(516) 490-6226</u>     |
| 2580            | Parmeet Singh  | Independence Plaza             | 335 Independence Plaza                   | Seldon                 | NY            | 11784            | (631) 736-1137            |
| 8539            | Nadeem A. Choudhry   | Forest Plaza                   | 2040 Forest Avenue                       | Staten Island, NY      | NY            | 10303            | (718) 285-4350            |
| 1843            | Jean Case  | Arlington Ridge Marketplace    | 790 Arlington Road, Space 231            | Akron                  | OH            | 44312            | (330) 644-1462            |
| 5250            | Matthew S. Madow   | Marketplace At Four Corners    | 7719 Market Place Drive                  | Aurora                 | OH            | 44202            | (330) 562-3308            |
| 8541            | Steven M. Mitchell and Cynthia A. Mitchell                             | Avon Commons                   | 35900 Detroit Rd                         | Avon                   | OH            | 44011            | (440) 937-2124            |
| 3252            | <del>Daniel C. Jerome, Jill S. Jerome and Nick-Jill S. Jerome</del>    | Pavillion Shopping Center      | 24223 Chagrin Boulevard                  | Beechwood              | OH            | 44122            | (216) 896-9462            |
| 6418            | Jean Case  | Ridge Park Square              | 4756 Ridge Road                          | Brooklyn Heights       | OH            | 44144            | (216) 661-4462            |
| 9045            | <del>Daniel C. Jerome and Jill S. Jerome</del><br><del>Jean Case</del> | Brunswick Town Center          | 1439 Town Center Blvd, Ste D-10          | Brunswick              | OH            | 44212            | (330) 225-4757            |
| 5826            | Dan W. Mosedale and Jeanette G. Mosedale                               | Winchester Square              | 6438 Winchester Blvd.                    | Canal Winchester       | OH            | 43110            | (614) 834-8789            |
| 588             | Jean Case  | Country Fair Plaza             | 4203 Tuscarawas Street West              | Canton                 | OH            | 44708            | (330) 477-9462            |

| Center No.      | Franchisee  | Center Name                       | Address                        | City                  | State         | Zip              | Phone                     |
|-----------------|---|-----------------------------------|--------------------------------|-----------------------|---------------|------------------|---------------------------|
| 981             | Matthew D. West and Michelle A. West                            | Sam's Club Center                 | 1290 N. Bridge Street          | Chillicothe           | OH            | 45601            | (740) 773-7002            |
| <del>6383</del> | <del>Gregory B. Hilycord and Jane M. Hilycord</del>             | <del>Blue Ash Commons</del>       | <del>4118 Hunt Road</del>      | <del>Cincinnati</del> | <del>OH</del> | <del>45236</del> | <del>(513) 984-9522</del> |
| 1680            | Bruce R. Seidel, III and Sarah H. Seidel                        | Kings Auto Mall                   | 4760 Fields Ertel Road         | Cincinnati            | OH            | 45249            | (513) 583-1800            |
| 6515            | Bruce R. Seidel, III and Sarah H. Seidel                        | Western Hills Plaza               | 6180 Gateway Ave, Suite #G     | Cincinnati            | OH            | 45211            | (513) 389-9863            |
| 992             | Anna Maria Schuck   | Sugar Creek Plaza                 | 6020 Wilmington Pike           | Dayton                | OH            | 45459            | (937) 848-2610            |
| 6445            | Thomas O. Colvin  | Parkway Center North              | 1724 Stringtown Road, Space 16 | Grove City            | OH            | 43123            | (614) 801-2250            |
| 2640            | Tonjia J. Johnson   | Harrison Square                   | 10548 Harrison Road            | Harrison              | OH            | 45030            | (513) 367-7002            |
| 1043            | Bruce R. Seidel, III and Sarah H. Seidel                        | Northpark Plaza                   | 8233 Old Troy Pike             | Huber Heights         | OH            | 45424            | (937) 237-9099            |
| 1374            | Bruce R. Seidel, III and Sarah H. Seidel                        | Rookwood Pavilion Shopping Center | 2692 Madison Road, Suite H-3   | Hyde Park             | OH            | 45208            | (513) 631-2604            |
| <del>2106</del> | <del>Jean Case</del>  | <del>Storefront</del>             | <del>15002 Detroit Ave</del>   | <del>Lakewood</del>   | <del>OH</del> | <del>44718</del> | <del>(216) 226-1462</del> |
| 3176            | Bruce R. Seidel, III and Sarah H. Seidel                        | Northpointe Plaza                 | 80 Meadowpark Road             | Lewis Center          | OH            | 43035            | (740) 657-8492            |
| 3560            | Jean Case   | Super K-Mart Plaza                | 1049 N. Court St.              | Medina                | OH            | 44256            | (330) 725-3116            |
| 3260            | Steven M. Mitchell and Cynthia A. Mitchell                      | Creekside Commons                 | 9591 Mentor Ave.               | Mentor                | OH            | 44060            | (440) 639-7923            |
| 1537            | Bruce R. Seidel, Jr., Bruce R. Seidel, III, and Sarah H. Seidel | Dayton Mall Shoppes               | 8122 Springboro Pike           | Miamisburg            | OH            | 45342            | (973) 979-6400            |

| Center No.      | Franchisee                               | Center Name                          | Address                                    | City                     | State         | Zip              | Phone   |
|-----------------|--|--------------------------------------|--|--------------------------|---------------|------------------|---|
| 5768            | Bruce R. Seidel, III and Sarah H. Seidel | Mulberry Square                      | 1081-C SR 28                               | Milford                  | OH            | 45150            | (513) <del>831-</del><br><a href="tel:33327604389">3332760-4389</a> |
| 6110            | Raymond W. Newton                        | Shoppes at Parma                     | 7691 W. Ridgewood Drive                    | Parma                    | OH            | 44129            | (440) 842-2552  |
| 6297            | Alexander A. Arsh                        | Market @ Liberty Crossing            | 3986 Powell Road, Space #E-2               | Powell                   | OH            | 43065            | (614) 336-9908  |
| 3486            | Bruce R. Seidel, III and Sarah H. Seidel | Troy Towne Center                    | 1839 West Main Street                      | Troy                     | OH            | 45373            | (937) 335-3971  |
| 6769            | Susan J. Allen                           | Voice of America Centre              | 7688 Voice of America Centre Drive         | West Chester             | OH            | 45069            | (513) 779-3737  |
| 6317            | Thomas O. Colvin                         | Northgate Plaza                      | 7381 State Route 3                         | Westerville              | OH            | 43082            | (614) 891-2502  |
| 2234            | Gregory W. Draper                        | The Shops at Broken Arrow            | 1332 East Hillside Drive                   | Broken Arrow             | OK            | 74012            | (918) 355-0245  |
| 3830            | Gregory W. Draper                        | Bryant Square Shopping Center        | 1508 E Second Street                       | Edmond                   | OK            | 73034            | (405) 359-7835  |
| 94              | Gregory W. Draper                        | Sooner Town Center                   | 7201 SE 29th Street, Suite 205             | Midwest City             | OK            | 73110            | (405) 741-0443  |
| <del>9891</del> | <del>Gregory W. Draper</del>             | <del>Shops at Moore</del>            | <del>2590 Service Road</del>               | <del>Moore</del>         | <del>OK</del> | <del>73160</del> | <del>(405) 794-2224</del>   |
| 2498            | Gregory W. Draper                        | University Town Center               | 1615 24th NW                               | Norman                   | OK            | 73069            | (405) 307-0290  |
| <del>889</del>  | <del>Gregory W. Draper</del>             | <del>Quail Springs Marketplace</del> | <del>2300 W. Memorial Road, Suite #2</del> | <del>Oklahoma City</del> | <del>OK</del> | <del>73134</del> | <del>(405) 849-5356</del>   |
| 2124            | Gregory W. Draper                        | Market Plaza Shopping Center         | 6957 NW Expressway                         | Oklahoma City            | OK            | 73132            | (405) 721-0844  |
| 9620            | Gregory W. Draper                        | Westgate Market Place                | 5924 SW 4th Street Terrace                 | Oklahoma City            | OK            | 73128            | (405) 721-0844  |

| Center No.      | Franchisee  | Center Name                          | Address                                    | City                     | State         | Zip              | Phone                     |
|-----------------|---|--------------------------------------|--|--------------------------|---------------|------------------|---------------------------|
| 9819            | Gregory W. Draper   | Penn Plaza                           | 1413 W I 240 Service Rd #B                 | Oklahoma City            | OK            | 73159-4144       | (405) 692-0900            |
| <del>889</del>  | <del>Gregory W. Draper</del>  | <del>Quail Springs Marketplace</del> | <del>2300 W. Memorial Road, Suite #2</del> | <del>Oklahoma City</del> | <del>OK</del> | <del>73134</del> | <del>(405) 849-5356</del> |
| 199             | Gregory W. Draper   | Center at Owasso                     | 9046 N 121st East Avenue                   | Owasso                   | OK            | 74055            | (918) 274-4345            |
| 7030            | <del>Allen C. Blankenship and</del><br><del>Alda V. Blankenship</del> | Pioneer Square                       | 609 N. Perkins Rd                          | Stillwater               | OK            | 74075-5411       | (405) 377-6248            |
| 1695            | Gregory W. Draper   | Woodland Corner S/C                  | 8115 East 71st Street                      | Tulsa                    | OK            | 74133            | (918) 728-8381            |
| 2935            | Gregory W. Draper   | Yale Mall                            | 1677 S Yale Avenue                         | Tulsa                    | OK            | 74112            | (918) 742-1037            |
| 8959            | Gregory W. Draper   | Tulsa Hill Shopping Center           | 7335 S. Olympia Ave. W                     | Tulsa                    | OK            | 74132            | (918) 447-1555            |
| 5719            | Stuart Wilde  | Gresham Town Fair                    | 510 NW Eastern Parkway                     | Gresham                  | OR            | 97030            | (503) 667-5063            |
| 8680            | Shawn C. Jensen   | Albertson's Shopping Center          | 5522 South 6th Street                      | Klamath Falls            | OR            | 97603            | (541) 891-8570            |
| <del>7015</del> | <del>Eric S. Miller</del>   | <del>Village West</del>              | <del>3100 Tilghman St.</del>               | <del>Allentown</del>     | <del>PA</del> | <del>18104</del> | <del>(610) 434-0477</del> |
| 3254            | Eric S. Miller  | Airport Center                       | 932 Airport Center Drive, Space 12         | Allentown                | PA            | 18109            | (610) 266-1269            |
| <del>7015</del> | <del>Eric S. Miller</del>   | <del>Village West</del>              | <del>3100 Tilghman St.</del>               | <del>Allentown</del>     | <del>PA</del> | <del>18104</del> | <del>(610) 434-0477</del> |
| 3796            | <del>Lee</del> Charlotte G. Peglow<br>and Stephanie I. Peglow         | Rostraver Square                     | 150 Sara Way                               | Belle Vernon             | PA            | 15012            | (724) 930-9008            |
| 3324            | Anand Gunvant Patel and Mitalben Anand Patel                          | Brookwood Shopping Center            | 1879 Street Road                           | Bensalem                 | PA            | 19020            | (215) 638-7188            |

| Center No.           | Franchisee  | Center Name                        | Address                                | City                         | State              | Zip                   | Phone                          |
|----------------------|---|------------------------------------|--|------------------------------|--------------------|-----------------------|--------------------------------|
| 901                  | Amanda L. Ondek   | Moraine Point Plaza                | 260 Moraine Point Plaza                | Butler                       | PA                 | 16001                 | (724) 283-0979                 |
| 2031                 | Eric S. Miller  | Providence Town Center             | 250 Plaza Drive                        | Collegeville                 | PA                 | 19426                 | (610) 409-9500                 |
| 7498                 | James D. Sullivan and Annette E. Sullivan   | Cranberry Commons                  | 1713 Route #228                        | Cranberry Township           | PA                 | 16066                 | (724) 772-5533                 |
| 9492                 | Darryl V. Green   | Greengate Centre                   | 2050 Greengate Centre Circle, Space #2 | Greensburg                   | PA                 | 15601                 | (724) 832-6350                 |
| 6488                 | Eric S. Miller  | Marketplace at Huntingdon Valley   | 2034 County Line Road                  | Huntingdon Valley            | PA                 | 19006                 | (215) 364-7550                 |
| 7724                 | <a href="#">Robert J. Waters and Robert D. RosenAnand Guvant Patel and Mitalben Anand Patel</a> | Shoppes at Longwood Village        | 849 E. Baltimore Pike, Space L         | Kennett Square               | PA                 | 19348                 | (610) 444-4203                 |
| 2873                 | Amanda L. Ondek   | Union Square Shopping Center       | 2527 W. State Street                   | New Castle                   | PA                 | 16101                 | (724) 652-6415                 |
| <a href="#">3451</a> | <a href="#">Eric S. Miller</a>  | <a href="#">Castor-Cottman S/C</a> | <a href="#">2047 Cottman Ave.</a>      | <a href="#">Philadelphia</a> | <a href="#">PA</a> | <a href="#">19149</a> | <a href="#">(215) 722-4297</a> |
| 6401                 | Eric S. Miller  | Riverview Plaza                    | 1100 S. Columbus Boulevard             | Philadelphia                 | PA                 | 19147                 | (215) 334-2022                 |
| 7175                 | Eric S. Miller  | Northeast Tower Center             | 4640 East Roosevelt Blvd, Suite F2     | Philadelphia                 | PA                 | 19124                 | (215) 288-9130                 |
| <a href="#">3451</a> | <a href="#">Eric S. Miller</a>  | <a href="#">Castor-Cottman S/C</a> | <a href="#">2047 Cottman Ave.</a>      | <a href="#">Philadelphia</a> | <a href="#">PA</a> | <a href="#">19149</a> | <a href="#">(215) 722-4297</a> |
| <a href="#">2340</a> | <a href="#">Scott A. Hood</a>   | <a href="#">McIntyre Square</a>    | <a href="#">7900 McKnight Road</a>     | <a href="#">Pittsburgh</a>   | <a href="#">PA</a> | <a href="#">15237</a> | <a href="#">(412) 369-5855</a> |
| 1050                 | Amer H. Barakat   | The Village of East Side           | 6401 Penn Avenue                       | Pittsburgh                   | PA                 | 15206                 | (412) 361-1920                 |

| Center No.           | Franchisee   | Center Name                        | Address  | City                       | State              | Zip                   | Phone                          |
|----------------------|--|------------------------------------|--|----------------------------|--------------------|-----------------------|--------------------------------|
| <a href="#">2340</a> | <a href="#">Scott A. Hood</a>  | <a href="#">McIntyre Square</a>    | <a href="#">3140 McKnight Road</a>                                   | <a href="#">Pittsburgh</a> | <a href="#">PA</a> | <a href="#">15237</a> | <a href="#">(412) 369-5855</a> |
| 8136                 | Amer H. Barakat  | The Southside Works                | 2747 E. Carson Street  | Pittsburgh                 | PA                 | 15203                 | (412) 431-1200                 |
| 6111                 | Eric S. Miller   | Richland Crossing                  | 231 N. West End Boulevard  | Quakertown                 | PA                 | 18951-2315            | (215) 529-0590                 |
| 2728                 | Eric S. Miller   | Berkshire Square                   | 1173 Berkshire Boulevard   | Reading                    | PA                 | 19610                 | (610) 655-9722                 |
| 3899                 | Eric S. Miller   | Royersford Center                  | 70 Buckwalter Rd., Suite 404   | Royersford                 | PA                 | 19468                 | (610) 792-3113                 |
| 2079                 | Eric S. Miller   | Center Point Place                 | 824 West Street Road   | Warminster                 | PA                 | 18974                 | (215) 674-1577                 |
| 3731                 | Eric S. Miller   | Valley Gate                        | 231 Easton Road  | Warrington                 | PA                 | 18976                 | (267) 483-5941                 |
| 7314                 | Darryl V. Green  | Strabane Square                    | 323 Washington Road  | Washington                 | PA                 | 15301                 | (724) 229-8411                 |
| 89                   | Eric S. Miller   | Upland Square Center               | 327 Upland Square Drive  | West Pottsgrove            | PA                 | 19464                 | (610) 323-2822                 |
| 3652                 | James R. Wilson and Bobby Allen  | Cross Creek Plaza #6               | 330 Robert Smalls Parkway  | Beaufort                   | SC                 | 29906                 | (843) 522-3330                 |
| 1868                 | James R. Wilson, Antonia M. Wilson, Bobby Allen and <del>Dwrena K. Allen</del> | 278 Commercial Center, Suite C-106 | 1011 Fording Island Road   | Bluffton                   | SC                 | 29910                 | (843) 757-4414                 |
| 5462                 | Mohammad Farhan and Rabia B. Farhan  | Shoppes at Woodhill                | <del>6070 C Gardner's</del> <a href="#">6070C Garners</a> Ferry Road | Columbia                   | SC                 | 29209                 | (803) 695-7002                 |
| 8003                 | Sarah D. Coxwell and Cary D. Coxwell   | Northpointe Commons                | 10050 Two Notch Road, Suite 6  | Columbia                   | SC                 | 29223                 | (803) 788-2177                 |
| 5934                 | Sarah D. Coxwell and Cary D. Coxwell   | Super Wal-Mart Center              | 2709 J Church Street   | Conway                     | SC                 | 29526                 | (843) 365-2503                 |

| Center No.           | Franchisee   | Center Name                      | Address                              | City                        | State              | Zip                   | Phone                          |
|----------------------|--|----------------------------------|--------------------------------------|-----------------------------|--------------------|-----------------------|--------------------------------|
| 1766                 | Daniel A. McCollum and Bonnie M. McCollum and Shana M. Gray              | Easley Town Center               | 125 Rolling Hills Circle             | Easley                      | SC                 | 29640                 | (864) 306-0065                 |
| 6594                 | Todd P. Graham   | Verdae Village                   | 101 Verdae Blvd., Suite 500          | Greenville                  | SC                 | 29615                 | (864) 284-1010                 |
| 6615                 | Todd P. Graham   | Dill Creek Commons               | 1363 West Wade Hampton Blvd & Hwy 14 | Greer                       | SC                 | 29650                 | (864) 877-6631                 |
| 1359                 | Guido J. Raso, Jr.   | Prince of Orange Mall            | 2390 Chestnut NE, Suite D-3          | Orangeburg                  | SC                 | 29115                 | (803) 536-6257                 |
| 5092                 | Van E. Morris and Sherman McKinney, III                                  | The Commons                      | 725 Cherry Road                      | Rock Hill                   | SC                 | 29732                 | (803) 327-5355                 |
| 1261                 | Todd P. Graham   | Fairview Commons #2              | 335-C Harrison Bridge Road           | Simpsonville                | SC                 | 29680                 | (864) 967-2999                 |
| 3435                 | Sarah D. Coxwell and Cary D. Coxwell                                     | Surfside Commons Shopping Center | 2703 Beaver Run Blvd                 | Surfside Beach, SC          | SC                 | 29575                 | (843) 215-0196                 |
| 5033                 | Jonathan W. King, Patricia C. Crigler, and William H. Crigler            | Westside Plaza                   | 2331 Augusta Road                    | West Columbia               | SC                 | 29169                 | (803) 791-4888                 |
| 5224                 | David M. Hultgren and Casey L. <a href="#">ES</a> . Nickell              | Plaza of the University Mall     | 1050 22nd Avenue South               | Brookings                   | SD                 | 57006                 | (605) 692-1221                 |
| 5014                 | Christopher R. Little, Stephanie M. Little, Robby J. Vergil              | Black Hills Center               | 36 Ease Stumer Road, Space #102      | Rapid City                  | SD                 | 57701                 | (605) 343-1414                 |
| <a href="#">5383</a> | <a href="#">David M. Hultgren, Casey L.S. Nickell, and Jacob J. Nair</a> | <a href="#">Empire Plaza</a>     | <a href="#">1370 Empire Mall</a>     | <a href="#">Sioux Falls</a> | <a href="#">SD</a> | <a href="#">57106</a> | <a href="#">(605) 361-2446</a> |
| 7575                 | David M. Hultgren, Casey L.S. Nickell, and Jacob J. Nair                 | Dawley Farms Village             | 1029 S. Highline Place               | Sioux Falls                 | SD                 | 57110                 | (605) 338-3696                 |

| Center No. | Franchisee  | Center Name                  | Address                                | City                   | State         | Zip              | Phone                     |
|------------|---|------------------------------|--|------------------------|---------------|------------------|---------------------------|
| 5383       | <del>David M. Hultgren, Casey L.S. Nickell, and Jacob J. Nair</del> | <del>Empire Plaza</del>      | <del>1370 Empire Mall</del>            | <del>Sioux Falls</del> | <del>SD</del> | <del>57106</del> | <del>(605) 361-2446</del> |
| 8048       | Travis C. Hibbert and Kirsten B. Hibbert                            | Hunter's Crossing            | 1076 Hunters Crossing Drive            | Alcoa                  | TN            | 37701            | (865) 983-5141            |
| 1701       | George S. Viar and Pamela M. Viar                                   | Bartlett Towne Center        | 5985 Stage Road, Suite 28              | Bartlett               | TN            | 38134            | (901) 382-8999            |
| 3597       | Franklin K. Carmical  | Market on Poplar             | 890 West Poplar Avenue                 | Collierville           | TN            | 38017            | (901) 854-9505            |
| 6801       | George S. Viar and Pamela M. Viar                                   | The Commons @ Dexter Lake    | 1605 Germantown Parkway #104           | Cordova                | TN            | 38018            | (901) 737-3100            |
| 6672       | Joy Aniello   | The Crossing Shopping Center | <del>US54</del> The Crossing Hwy 127 N | Crossville             | TN            | 38555            | (931) 707-9828            |
| 5410       | Pamela M. Viar  | Dyersburg Mall               | 2700 Lake Road                         | Dyersburg              | TN            | 38024            | (731) 286-6198            |
| 2741       | Rex A. McKinney and Barbara A. McKinney                             | Thoroughbred Shopping Center | 545 Cool Springs Blvd., Suite 130      | Franklin               | TN            | 37067            | (615) 771-6080            |
| 6673       | Rex A. McKinney and Barbara A. McKinney                             | The Shops of Village Green   | 150 Belvedere Road                     | Gallatin               | TN            | 37066            | (615) 230-9006            |
| 2169       | Rex A. McKinney and Barbara A. McKinney                             | Gallery at Indian Lake       | 206-A North Anderson Lane, Suite 300   | Hendersonville         | TN            | 37075            | (615) 348-0140            |
| 8835       | Connie N. Hill  | The Pointe                   | 308 Main Street                        | Jacksboro              | TN            | 37757            | (423) 566-0967            |
| 2515       | Connie N. Hill  | Northwest Crossing           | 6729 Clinton Highway                   | Knoxville              | TN            | 37912            | (865) 947-3774            |
| 7615       | Travis C. Hibbert and Kirsten B. Hibbert                            | Landing @ Cedar Bluff        | 9273 Kingston Pike                     | Knoxville              | TN            | 37922            | (865) 560-1545            |
| 5879       | Sarah D. Coxwell and Cary D. Coxwell                                | Westview Plaza               | 1416 West Main St.                     | Lebanon                | TN            | 37087            | (615) 444-9996            |

| Center No.             | Franchisee  | Center Name                                    | Address   | City        | State | Zip                       | Phone                                 |
|------------------------|---|--|---|-------------|-------|---------------------------|---------------------------------------|
| 7033                   | George S. Viar and Pamela M. Viar   | Poplar Plaza                                   | 3452 Poplar Avenue  | Memphis     | TN    | 38111                     | (901) 324-7700                        |
| 6570                   | Rex A. McKinney and Barbara A. McKinney   | Providence Marketplace                         | 401 S. Mt Juliet Rd Ste 330   | Mt. Juliet  | TN    | 37122                     | (615) 758-5199                        |
| <del>962594</del><br>5 | Rex A. McKinney and Barbara A. McKinney   | <del>Crossgate Village</del><br>Nashville West | <del>2369 Murfreesboro Road</del><br>6716 Charlotte Pike, Suite 106 | Nashville   | TN    | <del>372173</del><br>7209 | (615) <del>367-</del><br>0444732-0111 |
| 1810                   | Rex A. McKinney and Barbara A. McKinney   | Park Place Shopping Center                     | 2817 West End Avenue  | Nashville   | TN    | 37203                     | (615) 320-0107                        |
| <del>594596</del><br>2 | Rex A. McKinney and Barbara A. McKinney   | <del>Nashville West</del><br>Crossgate Village | <del>6716 Charlotte Pike, Suite 106</del><br>2369 Murfreesboro Road | Nashville   | TN    | <del>372093</del><br>7217 | (615) <del>732-</del><br>0111367-0444 |
| 6432                   | Ted D. Calton   | Governor's Square Crossing Outlet Center       | 218 Collier Drive   | Sevierville | TN    | 37863                     | (865) 908-2822                        |
| 1671                   | Rex A. McKinney and Barbara A. McKinney   | Colonial Town Park                             | 801 Industrial Boulevard  | Smyrna      | TN    | 37167                     | (615) 355-8502                        |
| 6103                   | Rex A. McKinney and Barbara A. McKinney   | Crossing of Spring Hill                        | 1012B Crossing Blvd.  | Spring Hill | TN    | 37174                     | (931) 486-1449                        |
| 3865                   | Ronnie J. Anderson and Merry C. Anderson  | Commerce Central S/C                           | 2111 N. Jackson Street, Suite 108                                   | Tullahoma   | TN    | 37388                     | (931) 455-2575                        |
| 3864                   | Ronnie J. Anderson and Merry C. Anderson  | Merchant Central S/C                           | 2637 Dechard Blvd   | Winchester  | TN    | 37398                     | (931) 962-4462                        |
| 3450                   | Guillermo Perales   | Mall of Abilene                                | 4310 Buffalo Gap Road   | Abilene     | TX    | 79606                     | (325) 691-1742                        |
| 2781                   | Guillermo Perales   | Addison Town Square                            | 3711 Beltline Road, Space 3723                                      | Addison     | TX    | 75001                     | (972) 488-8337                        |
| 3962                   | <del>Muhammad Wazir Ahmed S. Siddiqui and Noshaba Wazir</del><br>Ambreen Ashfaque | Albertson's Center                             | 315 N. Central Expressway South                                     | Allen       | TX    | 75013                     | (972) 396-5550                        |

| Center No.                   | Franchisee   | Center Name                                 | Address   | City                         | State         | Zip                       | Phone                                       |
|------------------------------|--|---|---|------------------------------|---------------|---------------------------|---|
| <del>3227</del><br>341<br>62 | <del>Guillermo Perales</del><br>Fernando J. Carvalho and Maria Lofton          | <del>Village at Allen</del><br>Bell Plaza   | <del>170 East Stacy Road, Floor: STE, Suite 23185</del><br>5807 W. 45th Ave. #353 | <del>Allen</del><br>Amarillo | TX            | <del>750027</del><br>9109 | <del>(972) 678-3036</del><br>(806) 353-1623 |
| 3346                         | Guillermo Perales  | Wolfin Village Shopping Center              | 2603 Wolfin Village   | Amarillo                     | TX            | 79109                     | (806) 354-2603                              |
| <del>3227</del>              | <del>Guillermo Perales</del>   | <del>Bell Plaza</del>                       | <del>5807 W. 45th Ave. #353</del>   | <del>Amarillo</del>          | <del>TX</del> | <del>79109</del>          | <del>(806) 353-1623</del>                   |
| 1764                         | Guillermo Perales  | Creekside Plaza                             | 2356 S.E. Greem Oaks Blvd.  | Arlington                    | TX            | 76018                     | (817) 465-2333                              |
| <del>2369</del>              | <del>Guillermo Perales</del>   | <del>Lincoln Square</del>                   | <del>654 Lincoln Square</del>   | <del>Arlington</del>         | <del>TX</del> | <del>76011</del>          | <del>(817) 461-4670</del>                   |
| 6544                         | Behnood Farzad and Behzad Farzad   | Arlington Highlands                         | 4001 Arlington Highlands Blvd. #157   | Arlington                    | TX            | 76018                     | (817) 472-9705                              |
| <del>1641</del>              | <del>Guillermo Perales</del>   | <del>Green Oaks Plaza</del>                 | <del>5801 W I 20</del>  | <del>Arlington</del>         | <del>TX</del> | <del>76016</del>          | <del>(817) 478-7230</del>                   |
| <del>2369</del>              | <del>Guillermo Perales</del>   | <del>Lincoln Square</del>                   | <del>654 Lincoln Square</del>   | <del>Arlington</del>         | <del>TX</del> | <del>76011</del>          | <del>(817) 461-4670</del>                   |
| 2192                         | Guillermo Perales  | Athens Plaza                                | 1395 East Tyler Street  | Athens                       | TX            | 75751                     | (903) 677-8885                              |
| <del>6462</del>              | <del>David E. Brawner</del>  | <del>Sunset Valley Village</del>            | <del>5601 Brodie Lane, Suite 920</del>  | <del>Austin</del>            | <del>TX</del> | <del>78745</del>          | <del>(512) 892-0938</del>                   |
| <del>1026</del>              | <del>Timothy E. Bannecker, Jr., Scott M. Bannecker, Matthew P. Bannecker</del> | <del>Belterra Village</del>                 | <del>165 Hargraved Street, Sp. P400</del>   | <del>Austin</del>            | <del>TX</del> | <del>78737</del>          | <del>(512) 373-3021</del>                   |
| <del>1254</del>              | <del>Harold R. Brawner and Ann L. Wenglein Brawner</del>                       | <del>Southpark Meadows</del>                | <del>9300 S IH 35, Suite C-300</del>  | <del>Austin</del>            | <del>TX</del> | <del>78748</del>          | <del>(512) 292-9404</del>                   |
| <del>924</del><br>120<br>5   | Guillermo Perales  | <del>Hancock</del><br>CenterNorthcross Mall | <del>1000 East 41 Street</del><br>2525 W. Anderson Lane                           | Austin                       | TX            | <del>78751</del><br>78757 | <del>(512) 467-1935</del><br>323-6845       |

| Center No.                                       | Franchisee  | Center Name  | Address   | City               | State         | Zip                                 | Phone  |
|--|---|--|---|--------------------|---------------|-------------------------------------|--|
| 1018   | Guillermo Perales   | Anderson Arbor Shopping Center                                 | 13435 US Highway 183 North  | Austin             | TX            | 78750                               | (512) 506-9041                                   |
| <del>1085</del>                                  | <del>Guillermo Perales</del>                                | <del>Market at Parmer Lane</del>                               | <del>2501 Parmer Lane, Suite 200A</del>                                   | <del>Austin</del>  | <del>TX</del> | <del>78727</del>                    | <del>(512) 832-5056</del>                        |
| 1113   | Guillermo Perales   | Parke Green Shopping Center                                    | 4410 E Riverside Drive, Suite 230   | Austin             | TX            | 78741                               | (512) 385-3816                                   |
| <del>1205</del><br><del>1085</del>               | Guillermo Perales   | <del>Market at Parmer Lane</del><br><del>Hancock Center</del>  | <del>2501 Parmer Lane, Suite 200A</del><br><del>1000 East 41 Street</del> | Austin             | TX            | <del>78727</del><br><del>8751</del> | <del>(512) 832-5056</del><br><del>467-1935</del> |
| 1254   | Harold R. Brawner and Ann L. Wenglein-Brawner               | Southpark Meadows  | 9300 S IH 35, Suite C-300   | Austin             | TX            | 78748                               | (512) 292-9404                                   |
| <del>924</del><br><del>646</del><br><del>2</del> | <del>Guillermo Perales</del><br><del>David E. Brawner</del> | <del>Northeross Mall</del><br><del>Sunset Valley Village</del> | <del>2525 W. Anderson</del><br><del>5601 Brodie Lane, Suite 920</del>     | Austin             | TX            | <del>78757</del><br><del>8745</del> | <del>(512) 323-6845</del><br><del>892-0938</del> |
| 9381   | Harold R. Brawner and Ann L. Wenglein-Brawner               | North Hills HEB  | 4815 W. Braker Lane, Suite 560  | Austin             | TX            | 78759                               | (512) 358-6187                                   |
| 1120   | Guillermo Perales   | Lost Pine Village  | 494 Highway 71 West   | Bastrop            | TX            | 78602                               | (512) 321-3388                                   |
| 5037   | Mubarik A. Kahlon   | Baytown Central Shopping Center                                | 4506 Garth Road, Suite I  | Baytown            | TX            | 77521                               | (281) 427-8450                                   |
| <del>6199</del>                                  | <del>Mubarik A. Kahlon</del>                                | <del>Baytown Marketplace</del>                                 | <del>6331 Garth Road, Suite 110</del>                                     | <del>Baytown</del> | <del>TX</del> | <del>77521</del>                    | <del>(281) 421-2719</del>                        |
| 5438   | Wilson Ray Prudhomme, Jr.                                   | Chambers Town Center   | 8804 N. SH 146, Suite 120   | Baytown            | TX            | 77523                               | (281) 964-7709                                   |
| <del>6199</del>                                  | <del>Mubarik A. Kahlon</del>                                | <del>Baytown Marketplace</del>                                 | <del>6331 Garth Road, Suite 110</del>                                     | <del>Baytown</del> | <del>TX</del> | <del>77521</del>                    | <del>(281) 421-2719</del>                        |
| 5697   | Amir Morshed, Haleh Morshed, and Armin Morshed              | Cimarron Plaza   | 1424 Airport Freeway, Suite E   | Bedford            | TX            | 76022                               | (817) 267-8308                                   |

| Center No.      | Franchisee                                    | Center Name                        | Address                                | City              | State         | Zip              | Phone                            |
|-----------------|---|------------------------------------|--|-------------------|---------------|------------------|----------------------------------|
| 1693            | Harold R. Brawner and Ann L. Wenglein-Brawner | HEB                                | 12400 St Hwy 71                        | Bee's Cave        | TX            | 78736            | (512) 263-7248                   |
| <del>2918</del> | <del>Guillermo Perales</del>                  | <del>Belton Center</del>           | <del>201 Sparta Road</del>             | <del>Belton</del> | <del>TX</del> | <del>76513</del> | <del>(254) 933-2947</del>        |
| 9322            | Wilson Ray Prudhomme, Jr.                     | Bluebonnet Shopping Center         | 2616 Highway 36 South                  | Brenham           | TX            | 77833            | (832) 412-0517<br>(979) 551-9064 |
| 3908            | Harold R. Brawner and Ann L. Wenglein-Brawner | 707 Plaza                          | 4237 North Expressway 77, Suite 7      | Brownsville       | TX            | 78520            | (956) 621-0752                   |
| 3860            | Mubarik A. Kahlon                             | Tejas Center                       | 725 E. Villa Maria Road, Space 1900    | Bryan             | TX            | 77802            | (979) 361-0640                   |
| 744             | Guillermo Perales                             | Buda Crossing                      | 640 Old San Antonio Road               | Buda              | TX            | 78610            | (512) 295-1950                   |
| 2165            | Guillermo Perales                             | Trinity Valley Shopping Center     | 2630 N. Josey Lane #107                | Carrollton        | TX            | 75007            | (972) 466-2920                   |
| 2391            | Guillermo Perales                             | Market at Cedar Hill               | 223 East FM 1382                       | Cedar Hill        | TX            | 75104            | (972) 291-0278                   |
| 3445            | Harold R. Brawner and Ann L. Wenglein-Brawner | 1890 Ranch Shopping Center         | 1335 E. Whitestone Blvd. Bldg E400     | Cedar Park        | TX            | 78613            | (512) 259-1246                   |
| 7559            | Firooz A. Poshtkoohi                          | Oakwood Shopping Center            | 16913 El Camino Real                   | Clear Lake        | TX            | 77058            | (281) 990-8744                   |
| 1460            | Mubarik A. Kahlon                             | Tower Point Shopping Center        | 943 William D Fitch Parkway, Suite 701 | College Station   | TX            | 77845            | (979) 690-7286                   |
| 1011            | Wilson Ray Prudhomme, Jr.                     | Towne Center South Shopping Center | 507 I-45, Space C                      | Conroe            | TX            | 77304            | (936) 427-1861                   |
| 2239            | Guillermo Perales                             | Corsicana Marketplace              | 3811 W. Highway 31                     | Corsicana         | TX            | 75110            | (903) 641-0622                   |

| Center No.  | Franchisee  | Center Name   | Address   | City                      | State         | Zip                                  | Phone                                   |
|---|---|---|---|---------------------------|---------------|--------------------------------------|---|
| 1933  | Timothy E. Bannecker, Jr.,<br>Scott M. Bannecker, and<br>Matthew P. Bannecker | Village at Cross Roads                                    | 11750 Highway 380, Suite<br>220                               | Cross Roads               | TX            | 76227                                | (940) 365-9096                          |
| <del>1915</del>                                   | <del>Guillermo Perales</del>  | <del>Stone Gate Plaza</del>                               | <del>910 South Crowley Road</del>                             | <del>Crowley</del>        | <del>TX</del> | <del>76036</del>                     | <del>(817) 297-3272</del>               |
| 9705  | Wilson Ray Prudhomme,<br>Jr.  | Cypress Mill Plaza S/C                                    | 26084 US Hwy 290 North<br><del>28920 Highway 290, Space</del> | Cypress                   | TX            | 77429                                | (281) 256-9080<br><del>(281) 758-</del> |
| <del>130667</del><br><del>42</del>                | <del>George M. Foteh Behnood<br/>Farzad and Behzad Farzad</del>               | <del>Fairfield Prestonwood<br/>Town Center</del>          | <del>#H095225 Belt Line Road<br/>#210</del>                   | <del>Dallas Cypress</del> | TX            | <del>774337</del><br><del>5254</del> | <del>4006(972) 661-<br/>9700</del>      |
| 1815  | Behnood Farzad and<br>Behzad Farzad   | Frankford Crossing  | 4727 Frankford Road, Suite<br>345                             | Dallas                    | TX            | 75287                                | (972) 733-3261                          |
| <del>2259</del>                                   | <del>Guillermo Perales</del>  | <del>Buckner Commons</del>                                | <del>9208 E RL Thornton</del>                                 | <del>Dallas</del>         | <del>TX</del> | <del>75228</del>                     | <del>(214) 324-3105</del>               |
| <del>2388</del><br><del>13</del><br><del>06</del> | <del>Behnood Farzad, and<br/>Behzad Farzad Guillermo<br/>Perales</del>        | <del>Prestonwood Wheatland<br/>Town Center Crossing</del> | <del>5225 Belt Line 2525 W.<br/>Wheatland Road #210</del>     | Dallas                    | TX            | <del>752547</del><br><del>5237</del> | (972) 661-<br><del>9700</del> 780-5656  |
| <del>2543</del>                                   | <del>Guillermo Perales</del>  | <del>University Park Plaza</del>                          | <del>3205 North University Drive</del>                        | <del>Dallas</del>         | <del>TX</del> | <del>75220</del>                     | <del>(936) 560-0918</del>               |
| 2839  | Behnood Farzad and<br>Behzad Farzad   | Timber Creek Crossing                                     | 6243 Retail Road  | Dallas                    | TX            | 75201                                | (214) 368-4600                          |
| 3833  | Behnood Farzad and<br>Behzad Farzad   | Village at Bachman<br>Lake                                | 3701 West Northwest<br>Highway                                | Dallas                    | TX            | 75220                                | (214) 358-6880                          |
| <del>2388</del>                                   | <del>Guillermo Perales</del>  | <del>Wheatland Town<br/>Crossing</del>                    | <del>2525 W. Wheatland Road</del>                             | <del>Dallas</del>         | <del>TX</del> | <del>75237</del>                     | <del>(972) 780-5656</del>               |
| <del>2259</del>                                   | <del>Guillermo Perales</del>  | <del>Buckner Commons</del>                                | <del>9208 E RL Thornton</del>                                 | <del>Dallas</del>         | <del>TX</del> | <del>75228</del>                     | <del>(214) 324-3105</del>               |
| <del>2543</del>                                   | <del>Guillermo Perales</del>  | <del>University Park Plaza</del>                          | <del>3205 North University Drive</del>                        | <del>Dallas</del>         | <del>TX</del> | <del>75220</del>                     | <del>(936) 560-0918</del>               |

| Center No.      | Franchisee  | Center Name   | Address                                       | City                  | State         | Zip              | Phone                     |
|-----------------|---|---|---|-----------------------|---------------|------------------|---------------------------|
| 1665            | Mary Alice Bannecker, Timothy E. Bannecker, Jr., Scott M. Bannecker, and Matthew P. Bannecker | Rayzor Ranch  | 2520 W University Drive, #1166                | Denton                | TX            | 76201            | (940) 323-8333            |
| <del>2029</del> | <del>Guillermo Perales</del>  | <del>Townsend Square</del>                              | <del>901 Pol Street, Suite 350</del>          | <del>DeSoto</del>     | <del>TX</del> | <del>75115</del> | <del>(972) 228-8180</del> |
| 1726            | Sobhan Davaryhadikiasary and Maryam Davari  | League City Towne Center                                | 3010 Gulf Freeway South, Suite J              | Dickinson             | TX            | 77539            | (281) 337-4462            |
| 9140            | Amir Morshed, Haleh Morshed, and Armin Morshed  | Highlands of Flower Mound                               | 6101 Long Prairie Road                        | Flower Mound          | TX            | 75028            | (972) 355-8474            |
| 6797            | Wilson Ray Prudhomme, Jr.   | Stableside at Falcon Landing                            | 9722 Gaston Road, Space #125                  | Fort Bend             | TX            | 77494            | (832) 995-9045            |
| 1361            | Behnood Farzad and Behzad Farzad  | Trinity Commons   | 3000 S Hulen St #125                          | Fort Worth            | TX            | 76109-1928       | (817) 731-0550            |
| <del>2160</del> | <del>Guillermo Perales</del>  | <del>Sycamore Village Shopping Center</del>             | <del>3515 Sycamore School Road</del>          | <del>Fort Worth</del> | <del>TX</del> | <del>76133</del> | <del>(817) 361-7159</del> |
| <del>2750</del> | <del>Guillermo Perales</del>  | <del>Montgomery Plaza</del>                             | <del>501 Carrol Street</del>                  | <del>Fort Worth</del> | <del>TX</del> | <del>76107</del> | <del>(817) 810-9240</del> |
| <del>2838</del> | <del>Behnood Farzad and Behzad Farzad</del>   | <del>Heritage Marketplace at Alliance Town Center</del> | <del>9530 Feather Grass Lane, Suite 170</del> | <del>Fort Worth</del> | <del>TX</del> | <del>76177</del> | <del>(817) 750-0777</del> |
| 7474            | Behnood Farzad and Behzad Farzad  | The Shoppes at Camp Bowie                               | 6370 Camp Bowie Blvd., Suite 132              | Fort Worth            | TX            | 76116            | (817) 615-9204            |
| <del>2838</del> | <del>Behnood Farzad, and Behzad Farzad</del>  | <del>Heritage Marketplace at Alliance Town Center</del> | <del>9530 Feather Grass Lane, Suite 170</del> | <del>Fort Worth</del> | <del>TX</del> | <del>76177</del> | <del>(817) 750-0777</del> |
| <del>2750</del> | <del>Guillermo Perales</del>  | <del>Montgomery Plaza</del>                             | <del>501 Carrol Street</del>                  | <del>Fort Worth</del> | <del>TX</del> | <del>76107</del> | <del>(817) 810-9240</del> |
| <del>2160</del> | <del>Guillermo Perales</del>  | <del>Sycamore Village Shopping Center</del>             | <del>3515 Sycamore School Road</del>          | <del>Fort Worth</del> | <del>TX</del> | <del>76133</del> | <del>(817) 361-7159</del> |

| Center No. | Franchisee  | Center Name                                 | Address   | City                    | State              | Zip                   | Phone                          |
|------------|---|---|---|-------------------------|--------------------|-----------------------|--------------------------------|
| 1869       | Mary Alice Bannecker, Timothy E. Bannecker, Jr., Scott M. Bannecker, and Matthew P. Bannecker | Parkway Town Crossing                       | 5105 Eldorado Parkway                             | Frisco                  | TX                 | 75033                 | (972) 335-3400                 |
| 5386       | Mary Alice Bannecker, Timothy E. Bannecker, Jr., Scott M. Bannecker, and Matthew P. Bannecker | Custer Star                                 | 15962 El Dorado Parkway, Suite 100                | Frisco                  | TX                 | 75035                 | (469) 952-3333                 |
| 5808       | Mary Alice Bannecker, Timothy E. Bannecker, Jr., Scott M. Bannecker, and Matthew P. Bannecker | Hickory Center at Preston                   | 8745 Gary Burns Drive, Suite 150                  | Frisco                  | TX                 | 75034                 | (214) 705-9400                 |
| 2400       | Guillermo Perales   | Fossil Creek Shopping Center                | 6515 N. Beach Street                              | Ft. Worth               | TX                 | 76137                 | (817) 232-9790                 |
| 9514       | Sobhan Davaryhadikiasary and Maryam Davari  | Galvez Shopping Center                      | 6228 Broadway Street                              | Galveston               | TX                 | 77553                 | (409) 740-4010                 |
| 6310       | <a href="#">Kanwal J. Dhillon and Sunita Dhillon</a>  | <a href="#">Shiloh Springs</a>              | <a href="#">6850 North Shiloh Road, Suite Q</a>   | <a href="#">Garland</a> | <a href="#">TX</a> | <a href="#">75044</a> | <a href="#">(972) 414-8113</a> |
| 2599       | Guillermo Perales   | Broadway Center                             | 5949 Broadway Blvd.                               | Garland                 | TX                 | 75043                 | (972) 303-4519                 |
| 1094       | Guillermo Perales   | Wolf Ranch                                  | 1013 West University Avenue, Ste 190              | Georgetown              | TX                 | 78628                 | (254) 616-6764                 |
| 2621       | Guillermo Perales   | Vinson Place                                | 407 East Highway 377 East                         | Granbury                | TX                 | 76048                 | (817) 573-2440                 |
| 2637       | Guillermo Perales   | Westchester Market                          | 4116 S. Carrier Parkway                           | Grand Prairie           | TX                 | 75052                 | (972) 263-6933                 |
| 7644       | <a href="#">Mubarik A Kahlon</a>  | <a href="#">New Forest Crossing</a>         | <a href="#">5805 E. Sam Houston Pkwy, Suite G</a> | <a href="#">Houston</a> | <a href="#">TX</a> | <a href="#">77049</a> | <a href="#">(281) 459-1580</a> |
| 1274       | <a href="#">Firooz A. Poshtkoohi</a>  | <a href="#">Fondrenwood Shopping Center</a> | <a href="#">9760 Fondren Road</a>                 | <a href="#">Houston</a> | <a href="#">TX</a> | <a href="#">77096</a> | <a href="#">(713) 270-5115</a> |

| Center No.      | Franchisee                              | Center Name                            | Address  | City               | State         | Zip              | Phone                     |
|-----------------|---|--|--|--------------------|---------------|------------------|---------------------------|
| 1814            | Naveed K. Sherwani                      | Shops at Houston Center                | 1200 McKinney #421                             | Houston            | TX            | 77010            | (713) 651-1408            |
| <del>7650</del> | <del>Firooz A. Poshtkoochi</del>        | <del>Gulfgate Shopping Center</del>    | <del>2903 Woodridge Drive Suite 192</del>      | <del>Houston</del> | <del>TX</del> | <del>77087</del> | <del>(713) 242-0553</del> |
| 3611            | George M. Foteh                         | Northchase Shopping Center             | 4445 FM 1960 W. Street                         | Houston            | TX            | 77068            | (281) 537-5210            |
| <del>6937</del> | <del>George M. Foteh</del>              | <del>Oak Forest Center</del>           | <del>1354 A West 43rd</del>                    | <del>Houston</del> | <del>TX</del> | <del>77018</del> | <del>(713) 812-9988</del> |
| <del>7341</del> | <del>George M. Foteh</del>              | <del>Albertson's Shopping Center</del> | <del>12412 SM 1960 West</del>                  | <del>Houston</del> | <del>TX</del> | <del>77065</del> | <del>(832) 237-5204</del> |
| 8760            | George M. Foteh                         | Royal Oaks Plaza                       | 11805 Westheimer Rd, Suite 310                 | Houston            | TX            | 77077            | (281) 921-4462            |
| <del>6090</del> | <del>Mubarik A. Kahlon</del>            | <del>Kroger Center- Woodforest</del>   | <del>12620 Woodforest Blvd. Ste #180</del>     | <del>Houston</del> | <del>TX</del> | <del>77015</del> | <del>(713) 455-1141</del> |
| 9160            | Mubarik A. Kahlon                       | Randall's Cypress Station              | 96 FM & 1960 W                                 | Houston            | TX            | 77090            | (281) 440-3896            |
| 139             | Mubarik A. Kahlon and Shams Hadi        | Northwest Crossing                     | 5770 Hollister Street, Bldg. F, Ste. E, Sp.162 | Houston            | TX            | 77040            | (713) 462-8628            |
| 6265            | Sikandar Choudhary and Tahira Choudhary | Parkway Village                        | 4510 Eldridge Parkway                          | Houston            | TX            | 77077            | (281) 597-9605            |
| 6296            | Sikandar Choudhary and Tahira Choudhary | 11850 Bissonnet Street                 | 11850 Bissonnet, Suite A                       | Houston            | TX            | 77099            | (281) 933-1900            |
| 9192            | Sikandar Choudhary and Tahira Choudhary | Mission Bend                           | 6822 Hwy 6 South                               | Houston            | TX            | 77083            | (281) 568-5487            |
| <del>7054</del> | <del>Wilson Ray Prudhomme, Jr.</del>    | <del>Plaza in the Park</del>           | <del>5168 Buffalo Speedway</del>               | <del>Houston</del> | <del>TX</del> | <del>77005</del> | <del>(713) 664-6125</del> |
| <del>7165</del> | <del>Wilson Ray Prudhomme, Jr.</del>    | <del>Meyer Park</del>                  | <del>9941 South Post Oak Rd., Meyer Park</del> | <del>Houston</del> | <del>TX</del> | <del>77096</del> | <del>(713) 728-8088</del> |

| Center No.           | Franchisee  | Center Name                                 | Address   | City                    | State              | Zip                   | Phone                          |
|----------------------|---|---|---|-------------------------|--------------------|-----------------------|--------------------------------|
| <del>6480</del>      | <del>Firooz A. Poshtkoohi</del>                         | <del>Meyerland Shopping Center</del>        | <del>370 Meyerland Plaza</del>                      | <del>Houston</del>      | <del>TX</del>      | <del>77096</del>      | <del>(713) 349-8800</del>      |
| 200                  | George M. Foteh   | Village Plaza @ Bunker Hill                 | 9778 Katy Freeway, Suite 550                        | Houston                 | TX                 | 77055                 | (713) 468-4188                 |
| <a href="#">1274</a> | <a href="#">Firooz A. Poshtkoohi</a>                    | <a href="#">Fondrenwood Shopping Center</a> | <a href="#">9760 Fondren Road</a>                   | <a href="#">Houston</a> | <a href="#">TX</a> | <a href="#">77096</a> | <a href="#">(713) 270-5115</a> |
| <a href="#">1814</a> | <a href="#">Naveed K. Sherwani</a>                      | <a href="#">Shops at Houston Center</a>     | <a href="#">1200 McKinney #421</a>                  | <a href="#">Houston</a> | <a href="#">TX</a> | <a href="#">77010</a> | <a href="#">(713) 651-1408</a> |
| 2180                 | George M. Foteh   | Woodlake Square Shopping Center             | 9650 Westheimer Road, Suite 400                     | Houston                 | TX                 | 77063-3249            | (713) 784-8484                 |
| 2377                 | George M. Foteh   | Washington Heights                          | 103 Yale Street, Suite 400                          | Houston                 | TX                 | 77077                 | (713) 861-6110                 |
| 2909                 | George M. Foteh   | Vintage Park                                | 126 Vintage Park Blvd., Suite E                     | Houston                 | TX                 | 77070                 | (281) 251-8404                 |
| <a href="#">3611</a> | <a href="#">George M. Foteh</a>                         | <a href="#">Northchase Shopping Center</a>  | <a href="#">4445 FM 1960 W. Street</a>              | <a href="#">Houston</a> | <a href="#">TX</a> | <a href="#">77068</a> | <a href="#">(281) 537-5210</a> |
| <a href="#">6090</a> | <a href="#">Mubarik A. Kahlon</a>                       | <a href="#">Kroger Center-Woodforest</a>    | <a href="#">12620 Woodforest Blvd. Ste #180</a>     | <a href="#">Houston</a> | <a href="#">TX</a> | <a href="#">77015</a> | <a href="#">(713) 455-1141</a> |
| <a href="#">6265</a> | <a href="#">Sikandar Choudhary and Tahira Choudhary</a> | <a href="#">Parkway Village</a>             | <a href="#">1510 Eldridge Parkway</a>               | <a href="#">Houston</a> | <a href="#">TX</a> | <a href="#">77077</a> | <a href="#">(281) 597-9605</a> |
| <a href="#">6480</a> | <a href="#">Firooz A. Poshtkoohi</a>                    | <a href="#">Meyerland Shopping Center</a>   | <a href="#">370 Meyerland Plaza</a>                 | <a href="#">Houston</a> | <a href="#">TX</a> | <a href="#">77096</a> | <a href="#">(713) 349-8800</a> |
| <a href="#">6937</a> | <a href="#">George M. Foteh</a>                         | <a href="#">Oak Forest Center</a>           | <a href="#">1354 A West 43rd</a>                    | <a href="#">Houston</a> | <a href="#">TX</a> | <a href="#">77018</a> | <a href="#">(713) 812-9988</a> |
| <a href="#">7054</a> | <a href="#">Wilson Ray Prudhomme, Jr.</a>               | <a href="#">Plaza in the Park</a>           | <a href="#">5168 Buffalo Speedway</a>               | <a href="#">Houston</a> | <a href="#">TX</a> | <a href="#">77005</a> | <a href="#">(713) 664-6125</a> |
| <a href="#">7165</a> | <a href="#">Wilson Ray Prudhomme, Jr.</a>               | <a href="#">Meyer Park</a>                  | <a href="#">9941 South Post Oak Rd., Meyer Park</a> | <a href="#">Houston</a> | <a href="#">TX</a> | <a href="#">77096</a> | <a href="#">(713) 728-8088</a> |

| Center No.     | Franchisee                                     | Center Name   | Address                                       | City                  | State     | Zip               | Phone                         |
|----------------|--|---|---|-----------------------|-----------|-------------------|-------------------------------|
| <u>7341</u>    | <u>George M. Foteh</u>                         | <u>Albertson's Shopping Center</u>                              | <u>12412 SM 1960 West</u>                     | <u>Houston</u>        | <u>TX</u> | <u>77065</u>      | <u>(832) 237-5204</u>         |
| <u>7644</u>    | <u>Mubarik A. Kahlon</u>                       | <u>New Forest Crossing</u>                                      | <u>5805 E. Sam Houston Pkwy, Suite G</u>      | <u>Houston</u>        | <u>TX</u> | <u>77049</u>      | <u>(281) 459-1580</u>         |
| <u>7650</u>    | <u>Firooz A. Poshtkoohi</u>                    | <u>Gulfgate Shopping Center</u>                                 | <u>2903 Woodridge Drive Suite 192</u>         | <u>Houston</u>        | <u>TX</u> | <u>77087</u>      | <u>(713) 242-0553</u>         |
| 8278           | Mubarik A. Kahlon                              | Northline Commons   | 4400 North Freeway, Suite F250                | Houston               | TX        | 77022             | (713) 692-1863                |
| <u>8760</u>    | <u>George M. Foteh</u>                         | <u>Royal Oaks Plaza</u>   | <u>11805 Westheimer Rd, Suite 310</u>         | <u>Houston</u>        | <u>TX</u> | <u>77077</u>      | <u>(281) 921-4462</u>         |
| <u>7279160</u> | <u>Firooz Mubarik A. Poshtkoohi Kahlon</u>     | <u>Kingswood Glen Shopping Center Randall's Cypress Station</u> | <u>755496 FM &amp; 1960 East W</u>            | <u>Humble Houston</u> | <u>TX</u> | <u>7734677090</u> | <u>(281) 852-7099440-3896</u> |
| <u>9192</u>    | <u>Sikandar Choudhary and Tahira Choudhary</u> | <u>Mission Bend</u>   | <u>6822 Hwy 6 South</u>                       | <u>Houston</u>        | <u>TX</u> | <u>77083</u>      | <u>(281) 568-5487</u>         |
| 1724           | Mubarik A. Kahlon                              | Park Lakes Landing  | 4801 Wilson Road, Space 900                   | Humble                | TX        | 77396             | (281) 441-1820                |
| <u>3875</u>    | <u>Firooz A. Poshtkoohi</u>                    | <u>Atascocita Town Center Section 3</u>                         | <u>19250 W Lake Houston Parkway, Suite K</u>  | <u>Humble</u>         | <u>TX</u> | <u>77346</u>      | <u>(281) 852-7099</u>         |
| <u>7870</u>    | <u>Mubarik A. Kahlon</u>                       | <u>Westlake Marketplace</u>                                     | <u>14243 E Sam Houston Pkwy N #700</u>        | <u>Humble</u>         | <u>TX</u> | <u>77044</u>      | <u>(281) 459-3088</u>         |
| 9761           | Mubarik A. Kahlon                              | Townsen Crossing Center   | 9473 FM 1960, Suite 200                       | Humble                | TX        | 77338             | (281) 319-5441                |
| <u>7870</u>    | <u>Mubarik A. Kahlon</u>                       | <u>Westlake Marketplace</u>                                     | <u>Beltway &amp; East @ West Lake Parkway</u> | <u>Humble</u>         | <u>TX</u> | <u>77044</u>      | <u>(281) 459-3088</u>         |
| 7110           | Wilson Ray Prudhomme, Jr.                      | Ravenwood Village Shopping Center                               | 229 IH 45 South                               | Huntsville            | TX        | 77340             | (936) 295-3646                |

| Center No.  | Franchisee  | Center Name                                      | Address                                     | City          | State | Zip            | Phone                            |
|-------------|---|--|---|---------------|-------|----------------|----------------------------------|
| 411         | Patricia Stone  | Los Colinas Plaza                                | 4020 N. MacArthur Blvd.                     | Irving        | TX    | 75038          | (972) 650-0828                   |
| 2417        | Firooz A. Poshtkoohi  | Mason Park Shopping Center                       | 571 Mason Road                              | Katy          | TX    | 77450          | (281) 579-2683                   |
| 7632        | George M. Foteh   | Grand Motion Town Center                         | 22903 Morton Ranch Road Space 120           | Katy          | TX    | 77449          | (346) 307-7622                   |
| 2415        | George M. Foteh   | The Crossings at Katy-Fulshear                   | 6445 FM 1463, Suite 170                     | Katy          | TX    | 77494          | (281) 346-8447                   |
| 2417        | Firooz A. Poshtkoohi  | Mason Park Shopping Center                       | 571 Mason Road                              | Katy          | TX    | 77450          | (281) 579-2683                   |
| 3172        | Sikandar Choudhary and Tahira Choudhary                       | Greentree Retail Center                          | 515-K South Fry Road                        | Katy          | TX    | 77450          | (281) 829-6305                   |
| 519763<br>2 | Sobhan Davaryhadikiasary and Maryam Davari<br>George M. Foteh | The Shoppes of Grand Motion Town Center<br>Kemah | 401 FM 51822903 Morton Ranch Road Space 120 | Kemah<br>Katy | TX    | 775657<br>7449 | (281) 549-7078<br>(346) 307-7622 |
| 3221        | Guillermo Perales   | Expressway Plaza                                 | 1200 Lowe's Boulevard                       | Killeen       | TX    | 76542          | (254) 449-0042                   |
| 3208        | Guillermo Perales   | Killeen Central Shopping Center                  | 902-G Central W. Texas Expressway           | Killeen       | TX    | 76541          | (254) 616-6764                   |
| 3221        | Guillermo Perales   | Expressway Plaza                                 | 1200 Lowe's Boulevard                       | Killeen       | TX    | 76542          | (254) 449-0042                   |
| 3916        | Mubarik A. Kahlon   | Village at North Park                            | 25639 U.S. Highway 59 North, Suite 103      | Kingwood      | TX    | 77339          | (281) 354-2159                   |
| 2082        | Patricio Cadena and Jenna Cadena                              | Kyle Crossing                                    | 5132 Kyle Center Dr., #105                  | Kyle          | TX    | 78640          | (512) 268-0404                   |
| 6146        | Patricio Cadena and Jenna Cadena                              | Plantation Square                                | 7815 McPherson, #1K                         | Laredo        | TX    | 78045          | (956) 722-2633                   |
| 1123        | Patricio Cadena and Jenna Cadena                              | Marketplace at Bob Bullock                       | 4311 Clark Boulevard                        | Laredo        | TX    | 78043          | (956) 725-1255                   |

| Center No. | Franchisee  | Center Name                       | Address                             | City                   | State              | Zip                   | Phone                          |
|------------|---|-----------------------------------|-------------------------------------|------------------------|--------------------|-----------------------|--------------------------------|
| 6146       | <a href="#">Patricio Cadena and Jenna Cadena</a>  | <a href="#">Plantation Square</a> | <a href="#">7815 McPherson, #1K</a> | <a href="#">Laredo</a> | <a href="#">TX</a> | <a href="#">78045</a> | <a href="#">(956) 722-2633</a> |
| 961        | Brian C. Taake  | Longview Town Center              | 3080 N Eastmand Road, #113          | Longview               | TX                 | 75605                 | (903) 663-1410                 |
| 2427       | Guillermo Perales   | Lubbock Retail Center             | 11435 Quaker Ave., Suite 200        | Lubbock                | TX                 | 79424                 | (806) 783-0989                 |
| 3302       | Guillermo Perales   | Texas Shopping Center             | 1803 7th Street - 901               | Lubbock                | TX                 | 79401                 | (806) 470-1269                 |
| 3396       | Guillermo Perales   | Canyon West                       | 5017 Milwaukee Avenue               | Lubbock                | TX                 | 79407                 | (806) 796-5881                 |
| 9127       | Brian C. Taake  | Lufkin Mall                       | 4600 S Medford Dr. Suite 1250       | Lufkin                 | TX                 | 75901                 | (936) 639-4992                 |
| 2203       | Wilson Ray Prudhomme, Jr.   | Powell Plaza                      | 6311 FM 1488 Road                   | Magnolia               | TX                 | 77354                 | (832) 521-3366                 |
| 9424       | Michael G. Snow and Linda S. Snow   | Mansfield Towne Crossing          | 1811 US Hwy 287 N., Suite 126       | Mansfield              | TX                 | 76063                 | (817) 453-2300                 |
| 938        | Guillermo Perales   | The Marketplace                   | 1101 FM 1431 West                   | Marble Falls           | TX                 | 78654                 | (830) 798-2285                 |
| 5827       | Harold R. Brawner and Ann L. Wenglein-Brawner   | Ridge View Centre                 | 1424 E Ridge Road, Space 5          | McAllen                | TX                 | 78501                 | (956) 627-6602                 |
| 2343       | Zahid Naqvi and Ambreen Naqvi and Syed Ali Naqvi and Abida Naqvi                              | McKinney Town Center              | 8930 State Hwy 121, Space #500      | McKinney               | TX                 | 75070                 | (972) 649-6600                 |
| 5487       | Zahid Naqvi and Ambreen Naqvi and Syed Ali Naqvi and Abida Naqvi                              | Lake Forest Crossing              | 5101 McKinney Ranch Parkway         | McKinney               | TX                 | 75070                 | (214) 856-3515                 |
| 8156       | Mary Alice Bannecker, Timothy E. Bannecker, Jr., Scott M. Bannecker, and Matthew P. Bannecker | 380 Towne Crossing                | 2050 West University Drive          | McKinney               | TX                 | 75071                 | (469) 952-3460                 |

| Center No.                 | Franchisee  | Center Name                                     | Address                             | City                         | State     | Zip                          | Phone  |
|----------------------------|---|---|-------------------------------------|------------------------------|-----------|------------------------------|--|
| <u>643</u>                 | <u>Jonathan M. Loveless</u>   | <u>Missouri City Shopping Center</u>            | <u>5842 Highway 6</u>               | <u>Missouri City</u>         | <u>TX</u> | <u>77459</u>                 | <u>(281) 403-0404</u>                          |
| 6924                       | Jonathan M. Loveless  | Sienna Plantation                               | 9340 Highway 6, Suite 200           | Missouri City                | TX        | 77459                        | (281) 778-0410                                 |
| <u>643</u>                 | <u>Jonathan M. Loveless</u>   | <u>Missouri City Shopping Center</u>            | <u>5842 Highway 6</u>               | <u>Missouri City</u>         | <u>TX</u> | <u>77459</u>                 | <u>(281) 403-0404</u>                          |
| 2277                       | Guillermo Perales   | Jefferson Park Shopping Center                  | 634 South Jefferson                 | Mount Pleasant               | TX        | 75455                        | (903) 577-8112                                 |
| <u>9612</u>                | <u>Karathozhuvu V. Baskaran and Rowenia Baskaran</u>                | <u>Greater Richland Shopping Center</u>         | <u>7227 Grapevine Highway</u>       | <u>N. Richland Hills</u>     | <u>TX</u> | <u>76180</u>                 | <u>(817) 514-7500</u>                          |
| 3319                       | Patricio Cadena and Jenna <u>CadenaCadena</u>                       | New Braunfels Town Center                       | 2830 Town Center Drive              | New <u>BranfelsBraunfels</u> | TX        | 78130                        | (830) 643-1231                                 |
| 9098                       | Mubarik A. Kahlon   | Valley Ranch Town Center                        | 21928 Market Place Drive, Suite 500 | New Caney                    | TX        | 77365                        | (281) 577-4046                                 |
| 6734                       | Amir Morshed, Haleh Morshed, and Armin Morshed                      | North Tarrant Marketplace                       | 9160 North Tarrant Parkway, # 120   | North Richland Hills         | TX        | 76182                        | (817) 770-4886                                 |
| 2241                       | Guillermo Perales   | Palestine Plaza                                 | 2020 Crocket Road                   | Palestine                    | TX        | 75801                        | (903) 729-9677                                 |
| 3305                       | Guillermo Perales   | Pampa Shopping Center                           | 301-317 W. 30th Street              | Pampa                        | TX        | 79065                        | (806) 665-2255                                 |
| 2809                       | Guillermo Perales   | Paris Towne Center                              | 3532 Lamar Avenue                   | Paris                        | TX        | 75460                        | (903) 739-8151                                 |
| <u>246262</u><br><u>87</u> | <u>Mubarik A. KahlonJafar T. Taffarroji and Mitra T. Taffarroji</u> | <u>Crossroads Shopping CenterSpencer Square</u> | <u>35406785</u> Spencer Highway     | Pasadena                     | TX        | <u>775047</u><br><u>7505</u> | <u>(713) 946-8080</u><br><u>(281) 991-9193</u> |
| <u>628724</u><br><u>62</u> | <u>Jafar Taffarroji and Mitra T. TaffarrojiMubarik A. Kahlon</u>    | <u>Spencer SquareCrossroads Shopping Center</u> | <u>67853540</u> Spencer Highway     | Pasadena                     | TX        | <u>775057</u><br><u>7504</u> | <u>(281) 991-9193</u><br><u>(713) 946-8080</u> |

| Center No.  | Franchisee   | Center Name   | Address   | City                                       | State         | Zip                                 | Phone   |
|---|--|---|---|--|---------------|-------------------------------------|---|
| 6603  | Mubarik A. Kahlon  | Fairmont Shopping Center                                      | 5830 Fairmont Parkway   | Pasadena                                   | TX            | 77505                               | (281) 487-2368  |
| <del>6123</del>                                   | <del>George M. Foteh</del>   | <del>Pearland Plaza</del>                                     | <del>7117 Broadway</del>                                      | <del>Pearland</del>                        | <del>TX</del> | <del>77581</del>                    | <del>(281) 412-9484</del>   |
| 7122  | George M. Foteh  | Pearland Town Center  | 11200 Broadway  | Pearland                                   | TX            | 77584                               | (713) 340-1040  |
| <del>6123</del>                                   | <del>George M. Foteh</del>   | <del>Pearland Plaza</del>                                     | <del>7117 Broadway</del>                                      | <del>Pearland</del>                        | <del>TX</del> | <del>77581</del>                    | <del>(281) 412-9484</del>   |
| 1216  | Guillermo Perales  | Stone Hill Town Center  | 1512 Town Center Drive  | Pflugerville                               | TX            | 78660                               | (512) 252-7994  |
| 3584  | Guillermo Perales  | Plainview Commons   | 1601 N I-27   | Plainview                                  | TX            | 79072                               | (806) 293-5325  |
| 5843  | -Zahid Naqvi and<br>Ambreen Naqvi and Syed<br>Ali Naqvi and Abida<br>Naqvi | Lakeside Market   | 5809 Preston Road, Suite 585                                  | Plano                                      | TX            | 75093                               | (972) 378-4888  |
| <del>9672</del><br><del>47</del><br><del>40</del> | <del>Guillermo Perales Wilson</del><br><del>Ray Prudhomme, Jr.</del>       | <del>Hunter's Glen</del><br><del>Crossing Target Center</del> | <del>3949 Legacy Road</del><br><del>8460 Memorial Blvd.</del> | <del>Plano</del><br><del>Port Arthur</del> | TX            | <del>75023</del><br><del>7642</del> | <del>(972) 491-</del><br><del>7077(409) 237-</del><br><del>5067</del> |
| 1756  | Guillermo Perales  | Gates of Prosper  | 750 Richland Drive, Suite 30                                  | Prosper                                    | TX            | 75078                               | (972) 747-8038  |
| 1439  | Guillermo Perales  | Ovilla Corners  | 109 East Ovilla Road  | Red Oak                                    | TX            | 75154                               | (972) 576-2679  |
| <del>2429</del>                                   | <del>Guillermo Perales</del>   | <del>Richland Meadows</del>                                   | <del>904 Audelia Road</del>                                   | <del>Richardson</del>                      | <del>TX</del> | <del>75081</del>                    | <del>(972) 234-2386</del>   |
| 6903  | Ahmed S. Siddiqui and<br>Ambreen Ashfaqe                                   | Lennox Center   | 2160 N. Coit Road #136  | Richardson                                 | TX            | 75080                               | (972) 437-2288  |
| <del>2429</del>                                   | <del>Guillermo Perales</del>   | <del>Richland Meadows</del>                                   | <del>904 Audelia Road</del>                                   | <del>Richardson</del>                      | <del>TX</del> | <del>75081</del>                    | <del>(972) 234-2386</del>   |

| Center No.      | Franchisee   | Center Name                             | Address                                    | City                   | State         | Zip              | Phone                     |
|-----------------|--|---|--|------------------------|---------------|------------------|---------------------------|
| 1659            | Wilson Ray Prudhomme, Jr.                                | The Market Center at Aliana             | 10223 W. Grand Parkway S., Suite 102       | Richmond               | TX            | 77407            | (281) 647-9993            |
| <del>8422</del> | <del>Wilson Ray Prudhomme, Jr.</del>                     | <del>The Shoppes of Bella Terra</del>   | <del>22720 Bellaire Blvd., Suite 400</del> | <del>Richmond</del>    | <del>TX</del> | <del>77469</del> | <del>(832) 595-6186</del> |
| 6879            | Ahmed S. Siddiqui and Ambreen Ashfaque                   | Steiger Towne Center                    | 890 Steiger Towne Crossing                 | Rockwall               | TX            | 75032            | (972) 772-0020            |
| 7112            | Jonathan M. Loveless                                     | Brazos Town Center                      | 24200 Southwest Freeway                    | Rosenberg              | TX            | 77471            | (281) 239-7887            |
| <del>8899</del> | <del>Guillermo Perales</del>                             | <del>Shops at Palm Valley</del>         | <del>2200 E Palm Valley Round Rock</del>   | <del>Round Rock</del>  | <del>TX</del> | <del>78665</del> | <del>(512) 971-5682</del> |
| 935             | Guillermo Perales  | University Oaks Shopping Center         | 201 University Oaks Blvd                   | Round Rock             | TX            | 78665            | (512) 716-1001            |
| <del>8899</del> | <del>Guillermo Perales</del>                             | <del>Shops at Palm Valley</del>         | <del>2200 E Palm Valley Round Rock</del>   | <del>Round Rock</del>  | <del>TX</del> | <del>78665</del> | <del>(512) 971-5682</del> |
| 400             | Behnood Farzad and Behzad Farzad                         | Cross Pointe Center                     | 1453 North Saginaw Blvd.                   | Saginaw                | TX            | 76179            | (817) 232-8250            |
| <del>3602</del> | <del>Harold R. Brawner and Ann L. Wenglein Brawner</del> | <del>Northwoods Shopping Center</del>   | <del>18160 San Pedro Ave 1436</del>        | <del>San Antonio</del> | <del>TX</del> | <del>78232</del> | <del>(210) 496-6360</del> |
| <del>9766</del> | <del>Harold R. Brawner and Ann L. Wenglein Brawner</del> | <del>Culebra Market</del>               | <del>10670 Culebra Road</del>              | <del>San Antonio</del> | <del>TX</del> | <del>78251</del> | <del>(210) 520-0998</del> |
| <del>112</del>  | <del>Harold R. Brawner and Ann L. Wenglein Brawner</del> | <del>Village at Blanco</del>            | <del>1160 N 1604 W #106</del>              | <del>San Antonio</del> | <del>TX</del> | <del>78248</del> | <del>(210) 404-1100</del> |
| <del>7962</del> | <del>Harold R. Brawner and Ann L. Wenglein Brawner</del> | <del>HEB Shopping Center</del>          | <del>11600 Bandara Road</del>              | <del>San Antonio</del> | <del>TX</del> | <del>78023</del> | <del>(210) 684-5922</del> |
| <del>6519</del> | <del>Harold R. Brawner, Ann L. Wenglein Brawner</del>    | <del>Huebner Oaks Shopping Center</del> | <del>11075 IH 10 West, Suite 307</del>     | <del>San Antonio</del> | <del>TX</del> | <del>78230</del> | <del>(210) 690-2162</del> |
| <del>6793</del> | <del>Mehdi Dhukka and Fatima Dhukka</del>                | <del>The Market @ Boerne Stage</del>    | <del>24165 IH 10 West, Suite 121</del>     | <del>San Antonio</del> | <del>TX</del> | <del>78257</del> | <del>(210) 698-6359</del> |

| Center No.  | Franchisee  | Center Name   | Address   | City                        | State              | Zip   | Phone   |
|---|---|---|---|-----------------------------|--------------------|---|---|
| 23  | Harold R. Brawner and Ann L. Wenglein-Brawner                 | San Pedro Square  | 724 East Bitters Road   | San Antonio                 | TX                 | 78216   | (210) 404-1100  |
| <a href="#">112</a>                                   | <a href="#">Harold R. Brawner and Ann L. Wenglein-Brawner</a> | <a href="#">Village at Blanco</a>                                 | <a href="#">1160 N 1604 W #106</a>  | <a href="#">San Antonio</a> | <a href="#">TX</a> | <a href="#">78248</a>   | <a href="#">(210) 404-1100</a>                        |
| <a href="#">136</a>                                   | <a href="#">Harold R. Brawner and Ann L. Wenglein-Brawner</a> | <a href="#">The Rim</a>   | <a href="#">6028 Worth Parkway, #104</a>  | <a href="#">San Antonio</a> | <a href="#">TX</a> | <a href="#">78257</a>   | <a href="#">(210) 696-6368</a>                        |
| 1499  | Harold R. Brawner and Ann L. Wenglein-Brawner                 | Quarry Village  | 260 E. Basse Road, Building #1, Space 105                                       | San Antonio                 | TX                 | 78209   | (210) 832-9211  |
| <del>3602</del><br><del>84</del>                      | Harold R. Brawner and Ann L. Wenglein-Brawner                 | <del>Stone Ridge</del> <a href="#">Northwoods Shopping Center</a> | <del>21019 US Hwy 218, Suite 846</del> <a href="#">18160 San Pedro Ave 1436</a> | San Antonio                 | TX                 | <del>78258</del><br><a href="#">78257</a><br><a href="#">8232</a> | (210) <del>491-</del><br><a href="#">0707496-6360</a> |
| 6077  | Harold R. Brawner and Ann L. Wenglein-Brawner                 | Potranco Village  | 430 W. Loop 1604 North, #105  | San Antonio                 | TX                 | 78251   | (210) 468-2623  |
| <del>136</del><br><del>651</del><br><a href="#">9</a> | Harold R. Brawner and Ann L. Wenglein-Brawner                 | <del>The Rim</del> <a href="#">Huebner Oaks Shopping Center</a>   | <del>6028 Worth Parkway, #104</del> <a href="#">11075 IH-10 West, Suite 307</a> | San Antonio                 | TX                 | <del>78257</del><br><a href="#">8230</a>                          | (210) <del>696-</del><br><a href="#">6368690-2162</a> |
| <a href="#">6793</a>                                  | <a href="#">Mehdi Dhukka and Fatima Dhukka</a>                | <a href="#">The Market @ Boerne Stage</a>                         | <a href="#">24165 IH-10 West, Suite 121</a>                                     | <a href="#">San Antonio</a> | <a href="#">TX</a> | <a href="#">78257</a>   | <a href="#">(210) 698-6359</a>                        |
| <a href="#">7962</a>                                  | <a href="#">Harold R. Brawner and Ann L. Wenglein-Brawner</a> | <a href="#">HEB Shopping Center</a>                               | <a href="#">11600 Bandara Road</a>  | <a href="#">San Antonio</a> | <a href="#">TX</a> | <a href="#">78023</a>   | <a href="#">(210) 684-5922</a>                        |
| <a href="#">9766</a>                                  | <a href="#">Harold R. Brawner and Ann L. Wenglein-Brawner</a> | <a href="#">Culebra Market</a>                                    | <a href="#">10670 Culebra Road</a>  | <a href="#">San Antonio</a> | <a href="#">TX</a> | <a href="#">78251</a>   | <a href="#">(210) 520-0998</a>                        |
| 6522  | Patricio <a href="#">Cadena</a> and Jenna Cadena              | Seguin Corners Shopping Center                                    | 582 Hwy, 123  | Seguin                      | TX                 | 78155   | (830) 379-9499  |
| 541   | Behnood Farzad and Behzad Farzad                              | Park Village  | 1161 Southlake Blvd., Suite 280B  | Southlake                   | TX                 | 76092   | (817) 329-0080  |
| <a href="#">1403</a>                                  | <a href="#">Naveed K. Sherwani</a>                            | <a href="#">Klein Crossing Shopping Center</a>                    | <a href="#">6088 FM 2920 Road</a>   | <a href="#">Spring</a>      | <a href="#">TX</a> | <a href="#">77379</a>   | <a href="#">(281) 251-8849</a>                        |

| Center No. | Franchisee                                | Center Name                                    | Address                                 | City                       | State              | Zip                   | Phone                          |
|------------|---|--|---|----------------------------|--------------------|-----------------------|--------------------------------|
| 9393       | Wilson Ray Prudhomme, Jr.                 | Birnam Woods Marketplace                       | 4057 Riley Fuzzel Road                  | Spring                     | TX                 | 77386                 | (281) 964-9395                 |
| 1403       | <a href="#">Naveed K. Sherwani</a>        | <a href="#">Klein Crossing Shopping Center</a> | <a href="#">6088 FM 2920 Road</a>       | <a href="#">Spring</a>     | <a href="#">TX</a> | <a href="#">77379</a> | <a href="#">(281) 251-8849</a> |
| 7844       | Sikandar Choudhary and Tahira Choudhary   | The Fountains on the Lake                      | 12698 Fountain Lake Circle              | Stafford                   | TX                 | 77477                 | (281) 494-3900                 |
| 7725       | <a href="#">Wilson Ray Prudhomme, Jr.</a> | <a href="#">First Colony</a>                   | <a href="#">16535 Southwest Freeway</a> | <a href="#">Sugar Land</a> | <a href="#">TX</a> | <a href="#">77479</a> | <a href="#">(281) 494-2100</a> |
| 7961       | Sikandar Choudhary and Tahira Choudhary   | Woodbridge Shopping Center                     | 11557 South Highway 6                   | Sugar Land                 | TX                 | 77478                 | (281) 240-9197                 |
| 7725       | <a href="#">Wilson Ray Prudhomme, Jr.</a> | <a href="#">First Colony</a>                   | <a href="#">16535 Southwest Freeway</a> | <a href="#">Sugar Land</a> | <a href="#">TX</a> | <a href="#">77479</a> | <a href="#">(281) 494-2100</a> |
| 2983       | Guillermo Perales                         | Bird Creek Crossing                            | 3550 S. General Bruce Drive             | Temple                     | TX                 | 76504                 | (254) 774-9891                 |
| 7410       | Firooz A. Poshtkoohi                      | Texas City Bay S/C                             | 3563 A/B Palmer Highway                 | Texas City                 | TX                 | 77590                 | (409) 965-9004                 |
| 8633       | <a href="#">Wilson Ray Prudhomme, Jr.</a> | <a href="#">Augusta Woods Village</a>          | <a href="#">25750 Kuykendahl Road</a>   | <a href="#">Tomball</a>    | <a href="#">TX</a> | <a href="#">77375</a> | <a href="#">(832) 412-0860</a> |
| 9235       | Wilson Ray Prudhomme, Jr.                 | Tomball Town Center                            | 14320 FM 2920                           | Tomball                    | TX                 | 77375                 | (281) 516-7717                 |
| 2116       | Guillermo Perales                         | Southpark Shopping Center                      | 1926 East Southeast                     | Tyler                      | TX                 | 75701                 | (903) 592-0100                 |
| 6951       | Patricio Cadena and Jenna Cadena          | Brazos Place Center                            | 4306 West Waco Drive                    | Waco                       | TX                 | 76710                 | (254) 772-9530                 |
| 1564       | Guillermo Perales                         | Watauga Center                                 | 8420 Denton Highway                     | Watauga                    | TX                 | 76148                 | (817) 788-0080                 |
| 2870       | Guillermo Perales                         | Waxahachie Town Center                         | 1316 Highway 77 North                   | Waxahachie                 | TX                 | 75165                 | (972) 923-3370                 |

| Center No.              | Franchisee   | Center Name                                     | Address   | City             | State         | Zip              | Phone                     |
|-------------------------|--|---|---|------------------|---------------|------------------|---------------------------|
| 2824                    | Guillermo Perales  | Weatherford Commons                             | 126 E. I.H. 20, Suite #140  | Weatherford      | TX            | 76087            | (817) 599-6190            |
| <del>343751</del><br>45 | Guillermo Perales  | <del>Sikes</del> Wichita Square Shopping Center | <del>3111 Midwestern Parkway</del> 3916 Kemp Blvd., Space D<br>3916 Kemp Blvd., Space D | Wichita Falls    | TX            | 76308            | (940) 696-5888            |
| 3296                    | Kanwal J. Dhillon  | Woodbridge Crossing                             | 3460 EAST FM 544, Suite 520   | Wylie            | TX            | 75096            | (972) 429-5300            |
| 7213                    | Sharlene D. Stokes and Chantel Paskett and Aaron Paskett   | Brigham   | 24 West 100 South   | Brigham City     | UT            | 84302            | (435) 723-6222            |
| <del>2501</del>         | <del>Sharlene D. Stokes, Chantel Paskett and Aaron Paskett</del>   | <del>Store Front</del>                          | <del>1395 North 200 East</del>  | <del>Logan</del> | <del>UT</del> | <del>84341</del> | <del>(435) 752-5320</del> |
| 1730                    | Sharlene D. Stokes and Chantel Paskett and Aaron Paskett   | Logan Gateway Center                            | 981 South Main Street, Space #270   | Logan            | UT            | 84321            | (435) 753-7674            |
| <del>2501</del>         | <del>Sharlene D. Stokes and Chantel Paskett and Aaron Paskett</del>  | <del>Store Front</del>                          | <del>1395 North 200 East</del>  | <del>Logan</del> | <del>UT</del> | <del>84341</del> | <del>(435) 752-5320</del> |
| 6024                    | Shawn C. Jensen  | Crossroads at North Ogden                       | 2564 North 400 East   | North Ogden      | UT            | 84414            | (801) 782-4287            |
| 5152                    | Shawn C. Jensen  | Cross Pointe Shopping Center                    | 5741 Harrison Blvd.   | Ogden            | UT            | 84403            | (801) 479-4142            |
| 6179                    | <del>William M. Thomson, III, Sharyn C. Thomson, Gregroy J. Fowler, Melissa A. Fowler, Scott Betts, Lisa Betts, Ryan Rees, and Andrew H. Cross</del> Shawn C. Jensen | Legacy Plaza at 54th                            | 1770 West 5400 South  | Taylorville      | UT            | 84118            | (801) 955-9442            |

| Center No. | Franchisee   | Center Name                      | Address                            | City                | State         | Zip              | Phone                     |
|------------|--|----------------------------------|------------------------------------|---------------------|---------------|------------------|---------------------------|
| 9251       | Christopher B. McCoy   | Chesapeake Square Plaza          | 2400 Square Ring Road #101         | Chesapeake          | VA            | 23321            | (757) 967-8226            |
| 9285       | Christopher B. -McCoy  | Promenade at Cedar               | 1501 Cedar Road                    | Chesapeake          | VA            | 23322            | (757) 609-3792            |
| 7838       | Joseph P. Vagaggini  | Hancock Village Shopping Center  | 7316 Hancock Village Drive         | Chesterfield        | VA            | 23832-2771       | (804) 639-2200            |
| 8659       | Joseph P. Vagaggini  | New River Valley Mall            | 782 New River Road                 | Christiansburg      | VA            | 24073            | (540) 382-0628            |
| 8074       | Joseph P. Vagaggini  | Cheshire Station Shopping Center | 4143 Minnieville Road              | Dale City           | VA            | 22193            | (703) 590-9840            |
| 2558       | Joseph P. Vagaggini  | Shops at Stonewall               | 8049 Stonewall Shops Square, #305  | Gainesville         | VA            | 20155            | (703) 754-2808            |
| 1297       | Joseph P. Vagaggini  | Bull Run Plaza                   | 10778 Sudley Manor Drive           | Manassas            | VA            | 20109            | (703) 331-5559            |
| 3823       | Christopher B. McCoy   | Hanover Square                   | 7354 Bell Creek Road South         | Mechanicsville      | VA            | 23111            | (804) 730-8517            |
| 7899       | Matthew T. Schettig,<br>Thomas R. Schettig and<br>Anne D. Schettig | Westchester Commons              | 15607 WC Commons Way               | Midlothian          | VA            | 23113            | (804) 378-6730            |
| 8622       | Christopher B. McCoy   | K&K Square Shopping Center       | 7550 Granby Street                 | Norfolk             | VA            | 23504            | (757) 588-4187            |
| 9077       | Christopher B. McCoy   | Broad Creek Crossing             | 1209 North Military Highway        | Norfolk             | VA            | 23502            | (757) 461-2149            |
| 6616       | <del>Christopher B. McCoy</del>                                    | <del>Short Pump Village</del>    | <del>11426 West Broad Street</del> | <del>Richmond</del> | <del>VA</del> | <del>23060</del> | <del>(804) 364-4879</del> |
| 1285       | Christopher B. McCoy   | Staples Mill Marketplace         | 9066 Staples Mill Road             | Richmond            | VA            | 23228            | (804) 716-8817            |
| 8091       | Joseph P. Vagaggini  | Towers Shopping Center           | 610 Brandon Ave.                   | Roanoke             | VA            | 24015            | (540) 342-4500            |

| Center No.           | Franchisee  | Center Name                             | Address                                     | City                           | State              | Zip                   | Phone                          |
|----------------------|---|---|---|--------------------------------|--------------------|-----------------------|--------------------------------|
| 6441                 | Joseph P. Vagaggini   | Springfield Plaza                       | 6408 Springfield Plaza, Space #7            | Springfield                    | VA                 | 22150                 | (703) 992-9160                 |
| 1336                 | Christopher B. McCoy  | Harbor View East                        | 6255 College Drive, Suite R-1               | Suffolk                        | VA                 | 23435                 | (757) 638-1234                 |
| 220                  | Christopher B. McCoy  | Hilltop North S/C                       | 1628 Laskin Road, Suite 720                 | Virginia Beach                 | VA                 | 23451                 | (757) 437-8431                 |
| <a href="#">6299</a> | <a href="#">Joseph P. Vagaggini</a>   | <a href="#">Haygood Shopping Center</a> | <a href="#">1087 Independence Blvd.</a>     | <a href="#">Virginia Beach</a> | <a href="#">VA</a> | <a href="#">23455</a> | <a href="#">(757) 648-8607</a> |
| 6770                 | Christopher B. McCoy  | Parkway Marketplace                     | 5020 Ferrell Parkway                        | Virginia Beach                 | VA                 | 23464                 | (757) 467-7592                 |
| 9448                 | Christopher B. McCoy  | Landstown Commons                       | 3380 Princess Anne Road, Suite 105          | Virginia Beach                 | VA                 | 23456                 | (757) 468-1330                 |
| <a href="#">6299</a> | <a href="#">Joseph P. Vagaggini</a>   | <a href="#">Haygood Shopping Center</a> | <a href="#">1087 Independence Blvd.</a>     | <a href="#">Virginia Beach</a> | <a href="#">VA</a> | <a href="#">23455</a> | <a href="#">(757) 648-8607</a> |
| <a href="#">6153</a> | <a href="#">William Reed Atkins, Jr. and Nancy Taylor Atkins</a>  | <a href="#">Monticello Marketplace</a>  | <a href="#">4680 18 B Monticello Avenue</a> | <a href="#">Williamsburg</a>   | <a href="#">VA</a> | <a href="#">23188</a> | <a href="#">(757) 565-5100</a> |
| 2702                 | Joshua R. Syria   | Mission Village                         | 212 5th Street, Suite 11                    | Wenatchee                      | WA                 | 98801                 | (509) 679-0793                 |
| 8958                 | John W. Kerner and Tania M. Kerner  | Twin City Town Center                   | 1535 NW Louisiana Ave #111                  | Chehalis                       | WA                 | 98532                 | (360) 748-6160                 |
| 9121                 | Jose N. de la Cruz and Robert D. Small  | Federal Way Crossing                    | 1413 S 348th Street, #102                   | Federal Way                    | WA                 | 98003                 | (253) 874-0483                 |
| 5685                 | William J. Scharnhorst  | Wheatland Shopping Center               | 1656 S. Grand Avenue                        | Pullman                        | WA                 | 99163                 | (509) 332-0301                 |
| 6468                 | <del>John W. Kerner</del> , Jose N. de la Cruz, <del>and</del> Bobbie Jo de la Cruz, <del>Tania M. Kerner</del> | The Landing                             | 955 Park Avenue North                       | Renton                         | WA                 | 98057                 | (425) 970-4577                 |

| Center No. | Franchisee   | Center Name                   | Address                          | City                       | State              | Zip                   | Phone                          |
|------------|--|-------------------------------|----------------------------------|----------------------------|--------------------|-----------------------|--------------------------------|
| 5884       | Kenneth C. Cole and Shannon Coppola Cole           | Woodinville Retail Project    | 13620 NE 175th Street, #106      | Woodinville                | WA                 | 98072                 | (425) 482-9323                 |
| 8011       | Carl A. Hughes and Christopher D. McKay            | Hudson Marketplace            | 2115 Coulee Road                 | Hudson                     | WI                 | 54016-9180            | (715) 386-7726                 |
| 6993       | Sarah D. Coxwell and Cary D. Coxwell               | Dudley Farms Plaza            | 110 RHL Blvd.                    | Charleston                 | WV                 | 25309                 | (304) 746-0792                 |
| 9095       | <a href="#">Dane R. Morris and Craig J. Morris</a> | <a href="#">Research Park</a> | <a href="#">51 Donahue Drive</a> | <a href="#">Morgantown</a> | <a href="#">WV</a> | <a href="#">26505</a> | <a href="#">(304) 292-6333</a> |
| 7444       | Dane R. Morris and Craig J. Morris                 | University Town Centre        | 216 Jim Street                   | Morgantown                 | WV                 | 26501                 | (304) 292-4475                 |
| 9095       | <a href="#">Dane R. Morris and Craig J. Morris</a> | <a href="#">Research Park</a> | <a href="#">51 Donahue Drive</a> | <a href="#">Morgantown</a> | <a href="#">WV</a> | <a href="#">26505</a> | <a href="#">(304) 292-6333</a> |
| 9163       | Matthew D. West and Michelle A. West               | Martin Plaza                  | 2826 Pike Street                 | Parkersburg                | WV                 | 26101                 | (304) 489-3966                 |

**FRANCHISE AGREEMENT SIGNED—OUTLET NOT OPENED AS OF 12/31/2023:**

| <u>Franchisee</u>  | <u>Center Name</u>                           | <u>City</u>                | <u>State</u>       | <u>Phone</u>                   |
|--|--|----------------------------|--------------------|--------------------------------|
| <a href="#">Jay Dosanjh</a>                              | <a href="#">4225 First Street</a>            | <a href="#">Livermore</a>  | <a href="#">CA</a> | <a href="#">(209) 883-0338</a> |
| <a href="#">Jay Dosanjh</a>                              | <a href="#">Countryside Plaza S/C</a>        | <a href="#">Turlock</a>    | <a href="#">CA</a> | <a href="#">(209) 883-0338</a> |
| <a href="#">Carter F. Dalton and Laura E. Dalton</a>     | <a href="#">Shoppes at Midway Plantation</a> | <a href="#">Knightdale</a> | <a href="#">NC</a> | <a href="#">(919) 608-2639</a> |
| <a href="#">Bruce R. Seidel, III and Sarah H. Seidel</a> | <a href="#">Kenwood Towne Center</a>         | <a href="#">Cincinnati</a> | <a href="#">OH</a> | <a href="#">(859) 462-1547</a> |
| <a href="#">Guillermo Perales</a>                        | <a href="#">Legacy Drive Village</a>         | <a href="#">Plano</a>      | <a href="#">TX</a> | <a href="#">(972) 620-2287</a> |

EXHIBIT KM-2

~~List of~~ Former Franchisees

Following Below is the name, city and state, and current business telephone number, or if unknown, the last known home telephone number, 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 our most recently completed fiscal year (20222023). Franchisees who transferred beneficial ownership of their franchises to third parties during our most recently completed fiscal year (20222023) are listed separately below under the heading “Transfers.”

We do not have any franchisees who have not communicated with us within 10 weeks of the date of this disclosure document. **If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.**

| Franchisee   | Center Number        | City                            | State | Phone                                      |
|--|----------------------|---------------------------------|-------|--|
| <del>James White and Kathryn White</del><br>Susan Reynolds-Means #   | <del>3701</del> 1377 | <del>Fresno</del> Rogers        | ARCA  | <del>(479) 640-0059(559)</del><br>240-8852 |
| <del>Salvador Mojica, Sam Ansari, and Maria D. Mojica</del><br>Marcio R. G. Andreazzi, Maria Thereza Andreazzi and Alessandro G. Andreazzi * | 80501892             | FontanaMiami                    | CAFL  | (909) 355-5152(305)<br>917-5755            |
| Michele Tedesco @  | 7496                 | Atlanta                         | GA    | (678) 576-3999                             |
| Nelson S. Fleming #  | 332                  | Dallas                          | GA    | (404) 219-5185                             |
| Surinder P. Singh #  | 7192                 | Flowery Branch                  | GA    | (404) 819-3890                             |
| Randy Greenberg #  | 7879                 | Wood Dale                       | IL    | (630) 341-0554                             |
| <del>Hemant K. Mangal and Esther Mangal</del><br>Ralph E. Anderson, Mary L. Anderson and Ann M. Garrison #                                   | 18766408             | KissimmeeBedrord                | FLIN  | (407) 414-2554(812)<br>275-6817            |
| <del>Jason N. Salafia</del><br>Mario Mele and Jeanine Mele<br>Scott J. Salafia @   | <del>3561</del> 3518 | <del>Cockeysville</del> Aeworth | GAMD  | <del>(678)</del><br>(410-9812-) 375-0314   |
| <del>Beau A. Holden and Catherine Holden, Jeffrey B. Holden and Cathy Holden</del><br>Rajeev Gupta and Ramzi El-Achkar #                     | 20816041             | Atlanta-Howell                  | GAMI  | (229) 921-1388<br>(248) 396-6318           |
| Muhammad S. Hanif and Rizwana Hanif *  | 6689                 | Livonia                         | MI    | (734) 495-0673                             |
| Sarah D. Coxwell and Cary D. Coxwell %   | 2476                 | Columbus                        | MS    | (251) 463-7844                             |
| Barbara Goodwin Lupton @   | 6554                 | Morehead City                   | NC    | (252) 247-2997                             |
| Nathan D. Hanson and Megan J. Hanson *   | 5252                 | Lincoln                         | NE    | (402) 306-0641                             |
| Eric S. Miller *   | 8819                 | Ocean Township                  | NJ    | (215) 896-7575                             |
| Idrees Kalu and Tasleem Siddiqi #  | 2360                 | Newburgh                        | NY    | (201) 588-7250                             |
| Bruce R. Seidel, III and Sarah H. Seidel %   | 81106383             | CincinnatiUnion                 | KYOH  | (859) 462-1547                             |
| Satish K. Shoor and Suman Shoor  | 3598                 | New Brunswick                   | NJ    | (732) 271-2752                             |
| Kumar Aditya and Jeanette Aditya   | 6063                 | Teterboro                       | NJ    | (973) 248-6293                             |

| Franchisee  | Center Number                             | City   | State                                 | Phone   |
|---|---|--|---------------------------------------|---|
| <a href="#">Vance Parrott and Janice Parrott</a>  | <a href="#">6223</a>                      | <a href="#">Carlsbad</a>                             | <a href="#">NM</a>                    | <a href="#">(575) 885-8246</a>                                |
| <a href="#">Thomas O. Colvin</a> <a href="#">Jean Case #</a>  | <a href="#">38222106</a>                  | <a href="#">Dublin</a> <a href="#">Lakewood</a>      | <a href="#">OH</a>                    | <a href="#">(614) 381-5401</a> <a href="#">(330) 904-1012</a> |
| <a href="#">Gregory B. Hilyeord and Jane M. Hilyeord</a> <a href="#">W. Draper #</a>  | <a href="#">67399891</a>                  | <a href="#">Fairfield</a> <a href="#">Moore</a>      | <a href="#">OH</a> <a href="#">OK</a> | <a href="#">(859) 620-7868</a> <a href="#">(405) 209-8831</a> |
| <a href="#">Fernando J. Carvallo and Maria Lofton</a> <a href="#">James D. #</a> <a href="#">Sullivan</a> and <a href="#">Annette E. Sullivan</a> | <a href="#">31622511</a>                  | <a href="#">Allen</a> <a href="#">Gibsonia</a>       | <a href="#">PA</a> <a href="#">TX</a> | <a href="#">(412) 759-9821</a> <a href="#">(972) 971-6457</a> |
| <a href="#">Dane R. Morris</a> <a href="#">Guillermo Perales *</a>  | <a href="#">27271641</a>                  | <a href="#">Pittsburgh</a> <a href="#">Arlington</a> | <a href="#">PA</a> <a href="#">TX</a> | <a href="#">(724) 493-7070</a> <a href="#">(972) 620-2287</a> |
| <a href="#">Timothy E. Bannecker, Jr., Scott M. Bannecker, Matthew P. Bannecker</a> <a href="#">Todd P. Graham *</a>                              | <a href="#">56551026</a>                  | <a href="#">Greenville</a> <a href="#">Austin</a>    | <a href="#">SC</a> <a href="#">TX</a> | <a href="#">(864) 616-8885</a> <a href="#">(469) 525-7744</a> |
| <a href="#">Todd P. Graham</a> <a href="#">Guillermo Perales *</a>  | <a href="#">3792918</a>                   | <a href="#">Belton</a> <a href="#">Greenville</a>    | <a href="#">SC</a> <a href="#">TX</a> | <a href="#">(864) 616-8885</a> <a href="#">(972) 620-2287</a> |
| <a href="#">Guillermo Perales *</a>   | <a href="#">1915</a>                      | <a href="#">Crowley</a>                              | <a href="#">TX</a>                    | <a href="#">(972) 620-2287</a>                                |
| <a href="#">George Foteh %</a>  | <a href="#">6712</a>                      | <a href="#">Cypress</a>                              | <a href="#">TX</a>                    | <a href="#">(713) 206-9258</a>                                |
| <a href="#">Guillermo Perales #</a>   | <a href="#">2029</a>                      | <a href="#">DeSoto</a>                               | <a href="#">TX</a>                    | <a href="#">(972) 620-2287</a>                                |
| <a href="#">Thomas H. Goewey</a> <a href="#">Kanwal J. Dhillon</a> and <a href="#">Alice T. Goewey</a> <a href="#">Sunita Dhillon #</a>           | <a href="#">22686310</a>                  | <a href="#">Cleveland</a> <a href="#">Garland</a>    | <a href="#">TN</a> <a href="#">TX</a> | <a href="#">(423) 605-2174</a> <a href="#">(214) 208-6858</a> |
| <a href="#">Patricio Cadena</a> and <a href="#">Jenna Cadena</a> <a href="#">Sikandar Choudhary</a> and <a href="#">Tahira Choudhary #</a>        | <a href="#">68536296</a>                  | <a href="#">Pleasanton</a> <a href="#">Houston</a>   | <a href="#">TX</a>                    | <a href="#">(210) 862-2310</a> <a href="#">(281) 745-4505</a> |
| <a href="#">Patricia Stone and Micah Stone #</a>  | <a href="#">411</a>                       | <a href="#">Irving</a>                               | <a href="#">TX</a>                    | <a href="#">(214) 682-2299</a>                                |
| <a href="#">Sobhan Davary</a> <a href="#">hadikiasary</a> and <a href="#">Maryam Davari *</a>   | <a href="#">519</a>                       | <a href="#">Kemah</a>                                | <a href="#">TX</a>                    | <a href="#">(409) 457-5167</a>                                |
| <a href="#">Karathozhuvu V. Baskaran</a> and <a href="#">Rowenia Baskaran #</a>   | <a href="#">9612</a>                      | <a href="#">N. Richland Hills</a>                    | <a href="#">TX</a>                    | <a href="#">(817) 337-5583</a>                                |
| <a href="#">Guillermo Perales *</a>   | <a href="#">1740</a> <a href="#">6749</a> | <a href="#">Saebs</a> <a href="#">Plano</a>          | <a href="#">TX</a>                    | <a href="#">(972) 620-2287</a>                                |
| <a href="#">Wilson Ray Prudhomme, Jr. #</a>   | <a href="#">8422</a>                      | <a href="#">Richmond</a>                             | <a href="#">TX</a>                    | <a href="#">(832) 818-5434</a>                                |
| <a href="#">Harold R. Brawner and Ann L. Wenglein-Brawner *</a>   | <a href="#">1881</a>                      | <a href="#">San Antonio</a>                          | <a href="#">TX</a>                    | <a href="#">(210) 508-0552</a>                                |
| <a href="#">Wilson Ray Prudhomme, Jr. *</a>   | <a href="#">8633</a>                      | <a href="#">Tomball</a>                              | <a href="#">TX</a>                    | <a href="#">(832) 818-5434</a>                                |
| <a href="#">Chris McCoy #</a>   | <a href="#">6616</a>                      | <a href="#">Richmond</a>                             | <a href="#">VA</a>                    | <a href="#">(757) 286-5143</a>                                |
| <a href="#">William Reed Atkins, Jr. and Nancy Taylor Atkins #</a>  | <a href="#">6153</a>                      | <a href="#">Williamsburg</a>                         | <a href="#">VA</a>                    | <a href="#">(757) 561-1763</a>                                |

\* denotes a termination

# denotes a non-renewal

% denotes ceased operations for other reasons

@ denotes reacquired by franchisor

**Transfers:**

| Franchisee   | Center Number       | City                                  | State           | Phone                                   |
|--|---------------------|---------------------------------------|-----------------|---|
| <del>Susan Reynolds-Means James Wang, Ellen Hsu Wang, and Peter Wu</del>                           | <del>47231408</del> | <del>ArmadiaFresno</del>              | <del>CA</del>   | <del>(626) 429-1988(559) 375-1654</del> |
| <del>Muhammad Shakeel</del>  | <del>8801</del>     | <del>Chino Hills</del>                | <del>CA</del>   | <del>(714) 306-4104</del>               |
| <del>Muhammad Shakeel</del>  | <del>3024</del>     | <del>Fontana</del>                    | <del>CA</del>   | <del>(714) 306-4104</del>               |
| <del>Alpesh Jayswal and Avni Jayswal</del>   | <del>3564</del>     | <del>Mt. Prospect</del>               | <del>IL</del>   | <del>(630) 544-0611</del>               |
| <del>Phillip Paige Lucas, Becky Jo Lucas, and Makenna Paige Lucas</del>                            | <del>7106</del>     | <del>Greenfield</del>                 | <del>IN</del>   | <del>(317) 385-2318</del>               |
| <del>Adam Turner</del>   | <del>6481</del>     | <del>Plainfield</del>                 | <del>IN</del>   | <del>(765) 977-2610</del>               |
| <del>Joe M. Lai Gregory B. Hilyeord and Jane M. Hilyeord and Ann S. Lai</del>                      | <del>74682176</del> | <del>BurlingtonRancho Cucamonga</del> | <del>KYCA</del> | <del>(859) 620-7868(909) 980-0409</del> |
| <del>Scott Marks</del>   | <del>6841</del>     | <del>Louisville</del>                 | <del>KY</del>   | <del>(502) 649-1478</del>               |
| <del>Gregory B. Hilyeord and Jane M. Hilyeord Christopher J. DuBois and Chad W. Raymond</del>      | <del>81105318</del> | <del>UnionBloomington</del>           | <del>KYMN</del> | <del>(859) 620-7868(952) 888-6850</del> |
| <del>Scott A. Johnson and Cecil M. Shilstone, Jr. Christopher J. DuBois and Chad W. Raymond</del>  | <del>38215284</del> | <del>MetairieChaska</del>             | <del>LAMN</del> | <del>(504) 891-6978(952) 368-3389</del> |
| <del>Scott A. Johnson and Cecil M. Shilstone, Jr. Christopher J. DuBois and Jason P. Bachman</del> | <del>95835015</del> | <del>New OrleansLakeville</del>       | <del>LAMN</del> | <del>(504) 891-6978(952) 435-2198</del> |
| <del>James M. Eaker and Debra K. Eaker Christopher J. DuBois and Jason P. Bachman</del>            | <del>61161948</del> | <del>SalisburyPlymouth</del>          | <del>NCMN</del> | <del>(704) 351-3922(763) 557-5195</del> |
| <del>Gregory B. Hilyeord and Jane M. Hilyeord Carter F. Dalton and Laura E. Dalton</del>           | <del>63831832</del> | <del>KernersvilleCincinnati</del>     | <del>OHNC</del> | <del>(859) 620-7868(336) 904-6006</del> |
| <del>Jean Case Dan W. Mosedale and Jeanette G. Mosedale</del>                                      | <del>31769045</del> | <del>BrunswickLewis Center</del>      | <del>OH</del>   | <del>(740) 503-5889(330) 225-4757</del> |
| <del>Gregory B. Hilyeord and Jane M. Hilyeord Rosen/Waters</del>                                   | <del>57687724</del> | <del>MilfordKennett Square</del>      | <del>OHPA</del> | <del>(859) 620-7868(610) 444-4203</del> |
| <del>Jafar Tafarroji and Mitra T. Tafarroji Travis C. Hibbert and Kirsten B. Hibbert</del>         | <del>58792462</del> | <del>LebanonPasadena</del>            | <del>TNTX</del> | <del>(865) 254-1048(281) 991-9193</del> |
| <del>Daniel Alemayehu Jafar Tafarroji and Tsion Elias Mitra T. Tafarroji</del>                     | <del>76446287</del> | <del>HoustonPasadena</del>            | <del>TX</del>   | <del>(713) 385-3084(946) 8080</del>     |

|

|

**EXHIBIT LN**

**Financial Statements**

**EXHIBIT LN-1**

**Audited Financial Statements**

**GNC Holdings, LLC**  
**Consolidated Financial Statements**

ForAs of December 31, 2023 and 2022 and

for the years ended December 31, 2023, 2022, and 2021 ~~and period from August 17, 2020 (Inception) through~~  
~~December 31, 2020~~

|

GNC HOLDINGS, LLC AND SUBSIDIARIES

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## Report of Independent Auditors

To the Management of GNC Holdings, LLC

### **Opinion**

We have audited the accompanying consolidated financial statements of GNC Holdings, LLC and its subsidiaries (the "Company"), which comprise the consolidated balance sheets as of December 31, ~~2022~~2023, and December 31, ~~2022~~2021, and the related consolidated statements of operations, of comprehensive income, of member's equity and of cash flows for the years ended December 31, 2023, December 31, 2022, and December 31, 2021, ~~and for the period from August 17, 2020 (Inception) to December 31, 2020~~, including the related notes (collectively referred to as 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, ~~2022~~2023, and December 31, ~~2022~~2021, and the results of its operations and its cash flows for the years ended December 31, 2023, December 31, 2022, and December 31, 2021, ~~and for the period from August 17, 2020 (Inception) to December 31, 2020~~, in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinion**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (US 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 audit. 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 accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of 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 the consolidated financial statements are available to be 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 US 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 US 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~~ expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is ~~expressed~~ 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,~~ matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

*PriceWaterhouseCoopers LLP*

~~April 25, 2023~~ May 22, 2024



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PricewaterhouseCoopers LLP, 301 Grant Street, Pittsburgh, Pennsylvania 15219  
T: (412) 355 6000, [www.pwc.com/us](http://www.pwc.com/us)

**GNC HOLDINGS, LLC AND SUBSIDIARIES**  
**Consolidated Balance Sheets**

|  | December 31,               | December 31,               |
|--|----------------------------|----------------------------|
|  | (in thousands)             |                            |
| <b>Current assets:</b>   |                            |                            |
| Cash and cash equivalents  | \$                         | \$                         |
| Restricted cash  | 18,284 <sub>1</sub>        | 15,845 <sub>1</sub>        |
| Receivables, net   | 64,109 <sub>5</sub>        | 74,600 <sub>6</sub>        |
| Receivables due from related parties (Note 13 <sub>12</sub> )          | 13,330 <sub>1</sub>        | 9,431 <sub>13</sub>        |
| Inventory  | 299,478 <sub>2</sub>       | 276,741 <sub>2</sub>       |
| Prepaid and other current assets                                       | 17,168 <sub>2</sub>        | 31,473 <sub>1</sub>        |
| <b>Total current assets</b>  | <b>448,640<sub>3</sub></b> | <b>466,818<sub>4</sub></b> |
| <b>Long-term assets:</b>   |                            |                            |
| Goodwill (Note 6 <sub>5</sub> )  | 104,417                    | 104,417                    |
| Brand name (Note 6 <sub>5</sub> )                                      | 97,000                     | 97,000                     |
| Other intangible assets, net (Note 6 <sub>5</sub> )                    | 93,874 <sub>8</sub>        | 100,380                    |
| Property, plant and equipment, net (Note 7 <sub>6</sub> )              | 59,129 <sub>6</sub>        | 53,909 <sub>5</sub>        |
| Right-of-use assets (Note 11 <sub>10</sub> )                           | 142,401 <sub>1</sub>       | 73,694 <sub>14</sub>       |
| Equity method investments (Note 9 <sub>8</sub> )                       | 3,436 <sub>4</sub>         | 42,138                     |
| Other long-term assets   | 62,462 <sub>4</sub>        | 47,588 <sub>6</sub>        |
| <b>Total long-term assets</b>  | <b>562,719<sub>5</sub></b> | <b>519,126<sub>5</sub></b> |
| <b>Total assets</b>  | <b>\$</b>                  | <b>\$</b>                  |
| <b>Current liabilities:</b>  |                            |                            |
| Accounts payable   | \$                         | \$                         |
| Accounts payable due to related parties (Note 13 <sub>12</sub> )       | 5,515 <sub>8</sub>         | 14,588                     |
| Current portion of long-term debt (Note 8 <sub>7</sub> )               | 35,930 <sub>8</sub>        | 10,944 <sub>3</sub>        |
| Current lease liabilities (Note 11 <sub>10</sub> )                     | 42,608 <sub>4</sub>        | 28,355 <sub>4</sub>        |
| Deferred revenue and other current liabilities (Note 10 <sub>9</sub> ) | 61,339 <sub>4</sub>        | 91,815 <sub>6</sub>        |
| <b>Total current liabilities</b>                                       | <b>254,002<sub>2</sub></b> | <b>239,889<sub>2</sub></b> |
| <b>Long-term liabilities:</b>  |                            |                            |
| Long-term debt (Note 8 <sub>7</sub> )                                  | 404,936 <sub>2</sub>       | 463,521 <sub>4</sub>       |
| Lease liabilities (Note 11 <sub>10</sub> )                             | 104,432 <sub>1</sub>       | 42,080 <sub>10</sub>       |
| Long-term payable due to related parties (Note 13 <sub>12</sub> )      | 2,659 <sub>1</sub>         | 4,377 <sub>2</sub>         |
| Other long-term liabilities  |                            |                            |
| <b>Total long-term liabilities</b>                                     | <b>520,870<sub>4</sub></b> | <b>521,424<sub>5</sub></b> |
| <b>Total liabilities</b>   | <b>774,872<sub>7</sub></b> | <b>761,313<sub>7</sub></b> |
| Commitments and contingencies (Note 12 <sub>11</sub> )                 |                            |                            |
| <b>Member's equity:</b>  |                            |                            |
| Additional paid-in capital   | 176,333 <sub>6</sub>       | 175,921 <sub>1</sub>       |
| Retained earnings  | 59,620 <sub>2</sub>        | 48,242 <sub>5</sub>        |
| Accumulated other comprehensive income                                 | 534 <sub>6</sub>           | 468 <sub>5</sub>           |
| <b>Total member's equity</b>   | <b>236,487<sub>2</sub></b> | <b>224,631<sub>2</sub></b> |
| <b>Total liabilities and member's equity</b>                           | <b>\$</b>                  | <b>\$</b>                  |

The accompanying notes are an integral part of the Consolidated Financial Statements.

**GNC HOLDINGS, LLC AND SUBSIDIARIES**  
**Consolidated Statements of Operations**

|   | Year ended                | Year-ended             | Period from            |
|---|---------------------------|------------------------|------------------------|
|   | <u>2023</u>               | <u>2022</u>            | <u>2021</u>            |
| (in thousands)  |                           |                        |                        |
| <b>Revenue (Note 43)</b>  | \$ 1,468,157,334,925      | \$                     | \$                     |
| Cost of sales, including warehousing, distribution and            | <u>976,080,915,814</u>    | <u>997,310,976,080</u> | <u>207,702,997,310</u> |
| <b>Gross profit</b>   | <u>492,077,419,111</u>    | <u>527,465,499</u>     | <u>112,786,412</u>     |
| Selling, general, and administrative                              | <u>406,322,411,571</u>    | <u>425,745,400</u>     | <u>91,668,491</u>      |
| Other <del>loss</del> (income); <u>loss</u> , net                 | <u>(1,479—948)</u>        | <u>(937)1,4</u>        | <u>(340)</u>           |
| <b>Operating income</b>   | <u>84,276,948</u>         | <u>102,657,800</u>     | <u>21,458,121</u>      |
| Interest expense, net (Note 87)                                   | <u>41,300,49,917</u>      | <u>38,326,410</u>      | <u>11,406,410</u>      |
| <b>Income (Loss) income before income taxes and income (loss)</b> | <u>42,976—(40,429)</u>    | <u>64,331,42,976</u>   | <u>10,052,64,331</u>   |
| Income tax (benefit) expense                                      | <u>12,053—(9,430)</u>     | <u>17,219,12,053</u>   | <u>2,728,12,053</u>    |
| <b>Net (loss) income before income (loss) from equity method</b>  | <u>(30,923—999)</u>       | <u>47,112,30,923</u>   | <u>7,324,7,112</u>     |
| <del>Loss</del> Income (loss) from equity                         | <u>(19,545)706</u>        | <u>(6,081)19,545</u>   | <u>(113,608)</u>       |
| <b>Net (loss) income</b>  | <u>\$ 11,378—(30,293)</u> | <u>\$</u>              | <u>\$</u>              |

The accompanying notes are an integral part of the Consolidated Financial Statements.

**GNC HOLDINGS, LLC AND SUBSIDIARIES**  
**Consolidated Statements of Comprehensive (Loss) Income**

|                                    | Year ended     | Year ended          | Period from |
|------------------------------------|----------------|---------------------|-------------|
|                                    | <u>2023</u>    | <u>2022</u>         | <u>2021</u> |
|                                    | (in thousands) |                     |             |
| <b>Net <u>(loss)</u> income</b>    | \$ 11,378      | <del>(30,293)</del> | \$          |
| Other comprehensive                |                |                     |             |
| Foreign currency                   | 66,116         |                     | €           |
| Other comprehensive                | 66,116         |                     | €           |
| <b>Comprehensive <u>(loss)</u></b> | \$ 11,444      | <del>(30,177)</del> | \$          |

The accompanying notes are an integral part of the Consolidated Financial Statements.

**GNC HOLDINGS, LLC AND SUBSIDIARIES**  
**Consolidated Statements of Member's Equity**

|   | Paid-In Capital   | Retained Earnings | Accumulated Other<br>Comprehensive<br>Income | Total Member's<br>Equity |
|---|-------------------|-------------------|--|--------------------------|
|   | (in thousands)    |                   |  |                          |
| <b>Balance at August 17, 2020 (inception)</b> | <u>\$</u>         | <u>\$</u>         | <u>\$</u>                                    | <u>\$</u>                |
| Acquisition equity investment                 | <u>175,620</u>    | <u>—</u>          | <u>—</u>                                     | <u>175,620</u>           |
| Comprehensive income                          | <u>—</u>          | <u>7,211</u>      | <u>945</u>                                   | <u>8,156</u>             |
| <b>Balance at December 31, 2020</b>           | <u>\$ 175,620</u> | <u>\$ 7,211</u>   | <u>\$ 945</u>                                | <u>\$ 183,776</u>        |
| Stock-based compensation                      | <u>301</u>        | <u>—</u>          | <u>—</u>                                     | <u>301</u>               |
| Comprehensive income (loss)                   | <u>—</u>          | <u>41,031</u>     | <u>(477)</u>                                 | <u>40,554</u>            |
| <b>Balance at December 31, 2021</b>           | <u>\$ 175,921</u> | <u>\$ 48,242</u>  | <u>\$ 468</u>                                | <u>\$ 224,631</u>        |
| Stock-based compensation                      | <u>412</u>        | <u>—</u>          | <u>—</u>                                     | <u>412</u>               |
| Comprehensive income                          | <u>—</u>          | <u>11,378</u>     | <u>66</u>                                    | <u>11,444</u>            |
| <b>Balance at December 31, 2022</b>           | <u>\$ 176,333</u> | <u>\$ 59,620</u>  | <u>\$ 534</u>                                | <u>\$ 236,487</u>        |
| Stock-based compensation                      | <u>293</u>        | <u>—</u>          | <u>—</u>                                     | <u>293</u>               |
| Comprehensive (loss) income                   | <u>—</u>          | <u>(30,293)</u>   | <u>116</u>                                   | <u>(30,177)</u>          |
| <b>Balance at December 31, 2023</b>           | <u>\$ 176,626</u> | <u>\$ 29,327</u>  | <u>\$ 650</u>                                | <u>\$ 206,603</u>        |

The accompanying notes are an integral part of the Consolidated Financial Statements.

**GNC HOLDINGS, LLC AND SUBSIDIARIES**  
**Consolidated Statements of Cash Flows**

|  | Year ended        | Year-ended       | Period from   |
|--|-------------------|------------------|---------------|
|  | 2023              | 2022             | 2021          |
| (in thousands)   |                   |                  |               |
| <b>Cash flows from operating activities:</b>   |                   |                  |               |
| Net (loss) income  | \$ 11,378         | (30,293)         | \$            |
| Adjustments to reconcile net (loss) income to net cash provided by operating activities: |                   |                  |               |
| Loss (Income) loss from equity method investments  | 19,545            | (706)            | 6,081         |
| Depreciation and amortization expense  | 28,121            | 24,669           | 33,70         |
| Stock-based compensation   | 412               | 293              | 3             |
| Amortization of debt costs   | 7,659             | 5,493            | 10,           |
| Gain on repurchase of 2L Term Loan   | —                 | —                | —             |
| Deferred income tax expense/benefit  | (8,192)           | 10,354           | (3,99)        |
| Changes in assets and liabilities:   |                   |                  |               |
| Decrease (increase) -in receivables  | 6,583             | 8,826            | (7,6)         |
| Increase/Decrease (increase) in inventory  | (23,342)          | 87,058           | (18,44)       |
| Decrease (increase)/(Increase) decrease in prepaid                                       | 14,278            | (7,782)          | (4,07)        |
| Increase in accounts payable   | 6,048             | 1,433            | 15,           |
| (Decrease) increase in deferred revenue and  | (31,430)          | 12,365           | 22,107        |
| Increase in accrued interest   | 11,459            | 14,855           | 7,353         |
| Changes in operating lease assets and liabilities  | 7,898             | 4,859            | (5,1)         |
| Other changes in assets and liabilities  | (4,002)           | 13,826           | (7,59)        |
| <b>Net cash provided by operating activities</b>   | <b>46,415</b>     | <b>99,812</b>    | <b>87,50</b>  |
| <b>Cash flows from investing activities:</b>   |                   |                  |               |
| Capital expenditures   | (26,893)          | 24,952           | (12,43)       |
| Refranchising proceeds, net of store acquisition   | 87                | 275              | —             |
| Proceeds from sale of equity   | 12,479            | 350              | 13,41         |
| Net proceeds from the sale of property   | —                 | —                | —             |
| Acquisition, net of cash acquired  | —                 | —                | (4            |
| <b>Net cash (used in) provided by investing</b>  | <b>(1412,327)</b> | <b>10,306</b>    | <b>(4</b>     |
| <b>Cash flows from financing activities:</b>   |                   |                  |               |
| Payments on Initial Term Loan  | (47,145)          | 49,259           | (58,23)       |
| Payments on Second Lien Term Loan  | (4,568)           | 23,517           | (30,2)        |
| Proceeds from Initial Term Loan  | —                 | —                | —             |
| Cash contribution from Parent  | —                 | —                | —             |
| Debt issuance fees   | —                 | —                | (6,           |
| <b>Net cash (used in) provided by financing</b>  | <b>(51,713)</b>   | <b>72,776</b>    | <b>(107,4</b> |
| Effect of exchange rate changes on cash and cash   | (393)             | 563              | (84)          |
| <b>Net increase (decrease) increase in cash and cash</b>                                 | <b>(20,018)</b>   | <b>15,272</b>    | <b>(10,43</b> |
| <b>Beginning balance, cash and cash equivalents and</b>                                  | <b>74,573</b>     | <b>54,555</b>    | <b>85,00</b>  |
| <b>Ending balance, cash and cash equivalents and</b>                                     | <b>\$ 54,555</b>  | <b>\$ 69,827</b> | <b>\$</b>     |

The accompanying notes are an integral part of the Consolidated Financial Statements.

**GNC HOLDINGS, LLC AND SUBSIDIARIES**  
**Supplemental Cash Flow Information**

|  | <u>Year ended December 31,</u> |             |             |
|--|--------------------------------|-------------|-------------|
|  | <u>2023</u>                    | <u>2022</u> | <u>2021</u> |
| <b><u>GNC HOLDINGS, LLC AND SUBSIDIARIES</u></b> |                                |             |             |
| <b><u>Supplemental Cash Flow Information</u></b> |                                |             |             |

|  | <u>Year ended</u>        | <u>Year ended</u>        | <u>Period from August 17,</u> |
|--|--------------------------|--------------------------|-------------------------------|
|  | <u>December 31, 2022</u> | <u>December 31, 2021</u> | <u>2020</u>                   |
|  |                          |                          | <u>(inception) through</u>    |
|  |                          |                          | <u>December 31, 2020</u>      |
|  | <b>(in thousands)</b>    |                          |                               |
| <b>Cash paid during the period for:</b>              |                          |                          |                               |
| Debt interest  | \$                       | \$                       | \$                            |
| Income taxes, net of refunds received                | 26,833                   | 14,470                   | —                             |
| <b>Non-cash investing activities:</b>                |                          |                          |                               |
| Capital expenditures in current liabilities          | 3,888                    | 3,874                    | 5133                          |
| <b>Non-cash financing activities:</b>                |                          |                          |                               |
| Purchase consideration (Note 3)                      | —                        | —                        | 210                           |
| Excess funds from Debtors' Estate escrow (Note 8)    | (1,600)                  | (11,754)                 | —                             |
| Second Lien Term Loan paid in kind interest (Note 8) | 61                       | 361                      | 713                           |
|  | 11,5                     | 9,                       | 2,                            |

## GNC HOLDINGS, LLC AND SUBSIDIARIES

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

#### NOTE 1. NATURE OF BUSINESS

—GNC Holdings, LLC, a Delaware company (“Holdings,” and collectively with its subsidiaries ~~and, unless the context requires otherwise, its and their respective predecessors~~, the “Company” or “GNC”), is a global health and wellness brand with a diversified, omni-channel business. The Company's assortment of performance and nutritional supplements, vitamins, herbs and greens, health and beauty, food and drink and other general merchandise features innovative private-label products as well as nationally recognized third-party brands, many of which are exclusive to GNC.

#### Acquisition

GNC Holdings, Inc. ~~The Company and certain of its subsidiaries (“Debtors”) commenced voluntary cases under Chapter 11 of the United States Bankruptcy Code in the United States Bankruptcy Court for the District of Delaware on June 23, 2020. Harbin Pharmaceutical Group Holding Co., Ltd. (“Parent”) agreed to acquire substantially all of the Debtor's assets and assume certain liabilities pursuant to a stalking horse agreement (the “Stalking Horse Agreement”). GNC Holdings, LLC was subsequently formed as a wholly owned subsidiary of Parent on August 17, 2020 (inception) and subsequently commenced operations on October 7, 2020. Refer to~~ at the closing of the acquisition. The Company is a wholly owned subsidiary of ZT Biopharmaceutical, LLC (“ZT”), a Delaware limited liability company, which in turn is a wholly owned subsidiary of Jacks Management (Suzhou) Limited (“Jacks Management” or “Jacks”), an entity formed in the Peoples Republic of China. The Parent, indirectly through ZT and Jacks Management, owns 100% of GNC Holdings, LLC.

#### Recent Events and Liquidity

The Company has recently experienced negative same store sales and a decline in gross profit. The Company is focusing on sustainable revenue growth by enhancing the in-store and online customer experience, targeted marketing efforts to drive traffic and fostering product innovation. Additionally, cost reduction initiatives are underway, including manufacturing diversification, supply chain optimization and efficiencies through workforce reorganization.

At December 31, 2023, the Company has an outstanding principal balance of \$245.4 million on its 1L Term Loan with the Bank of China, as discussed in Note 7, “Long-term Debt”. In April 2024, the Company remitted payment of \$40.0 million toward the 1L Term Loan facility, in part utilizing \$20 million in proceeds from a shareholder loan with Jacks Management. The payment satisfied the Company's \$36.7 million amortization payment due in April 2024 and an additional \$3.3 million toward its \$52.2 million amortization payment due in October 2024. As of May 22, 2024, the date the consolidated financial statements were available to be issued, the Company had debt maturities of \$119.0 million on its 1L Term Loan due within one year. The Company is in the process of reviewing refinancing options with the Bank of China to address its outstanding debt under the 1L Term Loan. While these efforts are ongoing, no assurances regarding the likelihood, certainty or exact timing of the refinancing can be made. ~~Acquisition” for further detail.~~

Without the success of the above-mentioned initiatives to mitigate the impact of the recent declines, management's operating cash flows are not expected to be sufficient to satisfy the current indebtedness under the 1L Term Loan when it becomes due. However, all obligations under the 1L Term Loan are unconditionally and irrevocably, jointly and severally, guaranteed by Parent, together with Jacks Management and ZT, pursuant to the terms of the Facilities Agreement and the First Lien Guarantee and Collateral Agreement dated October 7, 2020. The 1L Term Loan guarantee is secured by a pledge of Parent's shares of Harbin Pharmaceutical Group Co., Ltd. (“Listco”), which are listed on the Shanghai Stock Exchange, by way of a first priority pledge, to Bank of China. The number of pledged shares was 926.9 million as of the date of the pledge, representing approximately 37% of the total issued shares of Listco. The pledged shares were valued at approximately \$400 million using the market capitalization as of May 1, 2024. The guarantee and pledge remain in effect until all 1L Term Loan obligations are satisfied. The capital stock of Listco has been registered as pledged shares at the China Securities Depository and Clearing Corporation. In the event of non-payment on the 1L Term Loan by the Company, Bank of China is allowed to transfer the equivalent amount of shares to its name, without any action by the Parent which will fully satisfy the Company's obligations under the 1L Term Loan.

**GNC HOLDINGS, LLC AND SUBSIDIARIES**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)**

[The 2L Term Loan provides for an event of default for non-payment of the 1L Term Loan if the Bank of China accelerates the maturity of the obligations and the outstanding default remains unremedied. Pursuant to the Intercreditor and Subordination Agreement dated as of October 7, 2020, between Bank of China and GLAS Trust Company LLC, as administrative agent and as collateral agent for the holders of the 2L Term Loan, there is a 180-day standstill period before the Second Lien lenders can proceed to enforce any action in the event of accelerated obligations under the 1L Term Loan Facilities Agreement to allow the Company to remedy the outstanding default. The satisfaction of the Company's obligations under the 1L Term Loan by transferring the pledged shares of Listco to the Bank of China would remedy a 2L Term Loan event of default resulting from non-payment of the 1L Term Loan and its acceleration.](#)

**NOTE 2. BASIS OF PRESENTATION ~~AND~~, SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, AND RECENTLY ADOPTED ACCOUNTING PRONOUNCEMENTS**

**Basis of Presentation**

The accompanying Consolidated Financial Statements and Footnotes have been prepared by the Company in accordance with accounting principles generally accepted in the United States of America ("GAAP"). The Company's annual reporting period is based on a calendar year. [Certain prior period amounts have been reclassified to conform to current period presentation.](#)

**Summary of Significant Accounting Policies**

**Principles of Consolidation.** The Consolidated Financial Statements include the accounts of [Holdings the Company](#) and all of its subsidiaries. All intercompany transactions have been eliminated in consolidation.

**Use of Estimates.** The preparation of financial statements in conformity with GAAP requires management to make estimates that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Management bases these estimates on assumptions that it believes to be reasonable under the circumstances. Actual results may differ from these estimates under different assumptions or conditions.

**Cash and Cash Equivalents.** The Company considers cash and cash equivalents to include all cash and liquid deposits and investments with an original maturity of three months or less. Payments due from banks for third-party credit and debit cards generally process within 24 to 72 hours, and are classified as cash equivalents.

**Restricted Cash.** The Company is required to maintain cash deposits with the Bank of China restricted in accordance with provisions of the Initial Term Loan agreement. Refer to Note [87](#). "Long-Term Debt" for further detail regarding the Initial Term Loan. The Company also maintains cash deposits as collateral for letters of credit which are restricted under a cash collateral agreement.

The following table provides a reconciliation of cash, cash equivalents and restricted cash to amounts shown in the statement of cash flows:

|  | <u>December 31, 2022</u> <u>2023</u> | <u>December 31, 2021</u> <u>2022</u> |
|--|--------------------------------------|--------------------------------------|
|  | (in thousands)                       |                                      |
| Cash and cash equivalents                        | \$                                   | \$                                   |
| Restricted cash                                  | <u>18,284</u>                        | <u>15,845</u>                        |
| Total cash, cash equivalents and restricted cash | <u>\$</u>                            | <u>\$</u>                            |

## GNC HOLDINGS, LLC AND SUBSIDIARIES

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

~~**Business Combinations.** The Company allocates the fair value of purchase consideration to the tangible and intangible assets purchased and the liabilities assumed on the basis of their fair values at the date of acquisition. The determination of fair values of assets acquired and liabilities assumed requires estimates and the use of valuation techniques when a market value is not readily available. Any excess of purchase price over the fair value of net tangible and intangible assets acquired is allocated to goodwill. The Company's estimates are inherently uncertain and subject to refinement. If the Company obtains new information about facts and circumstances that existed as of the acquisition date during the measurement period, which may be up to one year from the acquisition date, the Company may record adjustments to the fair value of the assets acquired and liabilities assumed. Upon the conclusion of the measurement period or final determination of the fair value of assets acquired and liabilities assumed, whichever comes first, any subsequent adjustments are recorded to the Company's Consolidated Statements of Operations.~~

**Receivables, net.** The Company extends credit terms for sales of product to its franchisees and wholesale partners. Receivables consist principally of unpaid invoices for product sales, franchisee royalties and sublease payments. Franchisees secure financing from lending institutions, which include but are not limited to the small business administration and national banks with franchise programs. These loans generally require the Company to subordinate its first lien position on inventory and furniture and fixtures at predetermined amounts.

The Company's franchise and wholesale revenues are billed with varying terms for payment. An allowance for credit losses is established based on the aging of the accounts receivable balances, financial condition of ~~our~~ franchisees and other third-party customers, historical write-off experience and current and future economic and market conditions. In addition to assessing the financial condition of its franchisees, the Company considers collateral including inventory and fixed assets for domestic franchisees and letters of credit for international franchisees.

The allowance for credit losses related to trade accounts receivables at December 31, ~~2023 and 2022~~ ~~and 2021~~ was ~~\$1.7 million and \$2.2 million~~ ~~and \$1.5 million~~, respectively.

**Inventory.** Inventory consists of only finished product. Inventories are stated at the lower of cost or net realizable value on a first in/first out basis ("FIFO"). Inventory is recorded net of obsolescence, shrinkage and vendor allowances for product costs. The Company regularly reviews its inventory levels in order to identify slow moving and short dated products, using factors such as amount of inventory on hand, remaining shelf life, current and expected market conditions, historical trends and the likelihood of recovering the inventory costs based on anticipated demand.

**Property, Plant and Equipment.** Property, plant and equipment expenditures are recorded at cost. Depreciation and amortization are recognized using the straight-line method over the estimated useful life of the assets. The estimated useful lives are as follows:

|                                     |                    |
|-------------------------------------|--------------------|
| Building                            | 30 yrs             |
| Machinery and equipment             | 3- <del>7</del> 10 |
| Building and leasehold improvements | 1-15 yrs           |
| Furniture and fixtures              | 5-8 yrs            |
| Software                            | 3-5 yrs            |

## GNC HOLDINGS, LLC AND SUBSIDIARIES

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Building improvements are depreciated over their estimated useful life or the remaining useful life of the related building, whichever period is shorter. Improvements to leased premises are depreciated over the estimated useful life of the improvements or the related leases including renewals that are reasonably assured, whichever period is shorter. Expenditures that materially increase the value or clearly extend the useful life of property, plant and equipment are capitalized while repair and maintenance costs incurred in the normal course of operations are expensed as incurred.

**Goodwill and Indefinite-Lived Intangible Asset.** Goodwill is allocated to the Company's reporting units, which are at or below the level of an operating segment as defined by Accounting Standards Codification ("ASC") 280, *Segment Reporting*. The Company evaluates the carrying amount of goodwill for each of its reporting units annually in the fourth quarter. In addition, the Company performs an evaluation on an interim basis if it determines that recent events or prevailing conditions indicate a potential impairment of goodwill. A significant amount of judgment is involved in determining whether an indicator of impairment has occurred between annual impairment tests. These indicators include, but are not limited to, overall financial performance such as adverse changes in recent forecasts of operating results, industry and market considerations, updated business plans and regulatory and legal developments.

When the carrying value of a reporting unit exceeds its fair value, an impairment charge is recorded for the difference as an operating expense in the period incurred. For the years ended December 31, [2023](#), [2022](#), and [2021](#), ~~and for the period from August 17, 2020 (inception) through December 31, 2020~~, no goodwill impairment was recorded.

The Company's indefinite-lived intangible brand asset is also evaluated annually in the fourth quarter for impairment and on an interim basis if events or changes in circumstances between annual tests indicate that the asset might be impaired. If the carrying value of the intangible asset exceeds its fair value, an impairment loss is recognized in an amount equal to the difference. For the years ended December 31, [2023](#), [2022](#), and [2021](#), ~~and for the period from August 17, 2020 (inception) through December 31, 2020~~, no impairment was recorded for the indefinite-lived intangible brand asset.

**Impairment of Long-Lived Assets.** The Company evaluates whether the carrying values of property, plant and equipment, right-of-use assets and definite-lived intangible assets have been impaired whenever events or changes in circumstances indicate that the carrying amounts may not be recoverable based on estimated undiscounted future cash flows. Factors that may trigger an impairment review include significant changes in the intended use of assets, significant negative industry or economic trends, underperforming stores and anticipated store closings. If it is determined that the carrying value of the applicable asset group is not recoverable, an impairment loss is recognized for the amount the carrying value of the long-lived asset exceeds its estimated fair value. No impairment was recorded during the years ended December 31, [2023](#), [2022](#), and [2021](#), ~~or during the period from August 17, 2020 (inception) through December 31, 2020~~.

**Equity Method Investments.** The Company uses the equity method of accounting for equity investments if the investment provides the ability to exercise significant influence, but not control, over operating and financial policies of the investee. Under the equity method, the Company's share of profits and losses from the joint ventures is recorded within income (loss) from equity method investments on the Consolidated Statement of Operations. The Company evaluates equity method investments for impairment whenever events or changes in circumstances indicate that the carrying amount of the investment might not be recoverable. Factors considered by the Company when reviewing an equity method investment for impairment include the length of time (duration) and the extent (severity) to which the fair value of the equity method investment has been less than cost, the investee's financial condition and near-term prospects and the intent and ability to hold the investment for a period of time sufficient to allow for anticipated recovery. An impairment that is other-than-temporary is recognized in the period identified. For the year ended December 31, 2022, the Company recognized \$16.8 million other-than-temporary impairment of its investment in the Hong Kong and China joint ventures (HK JV and China JV). For the ~~year~~[years](#) ended December 31,

## GNC HOLDINGS, LLC AND SUBSIDIARIES

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

~~2021-2023~~ and ~~period from August 17, 2020 (inception) through~~ December 31, ~~2020-2021~~, no other-than-temporary impairment was recorded relative to the Company's equity method investments.

**Non-Marketable Equity Investments.** The Company's equity investments in privately held companies without a readily determinable fair value ("non-marketable equity investments") are accounted for at its cost minus impairment. The Company considers whether impairment indicators exist by evaluating the companies' financial and liquidity position, access to capital resources and other available market data. If the Company identifies observable price changes in orderly transactions for identical or similar investments of the same issuer, the carrying value of the non-marketable equity investments is measured at fair value as of the date that the observable transaction occurred. Adjustments are recorded to the Consolidated Statement of Operations ~~and classified in accordance with the accounting principles of the underlying nature of the transaction.~~

**Revenue Recognition.** Within the U.S. and Canada segment, retail sales in company-owned stores are recognized at the point of sale, net of sales tax. Revenue related to e-commerce sales is recognized upon shipment based on meeting the transfer

of control criteria. The Company has made a policy election to treat shipping and handling as costs to fulfill the contract, and as a result, any fees from customers are included in the transaction price allocated to the performance obligation of providing goods with a corresponding amount accrued within cost of sales for amounts paid to applicable carriers. Taxes collected from customers relating to product sales and remitted to governmental authorities are excluded from revenue. A provision for anticipated returns is recorded through a reduction of sales and cost of sales (for product that can be resold or returned to vendors) in the period that the related sales are recorded.

The Company offers myGNC Rewards, a free points-based loyalty program system-wide in the U.S. The program enables customers to earn points based on their purchases. Points earned by members are valid for one year and may be redeemed for cash discounts on any product the Company sells at both company-owned or franchise locations. The Company defers the estimated standalone selling price of points related to this program as a reduction to revenue as points are earned by allocating a portion of the transaction price the customer pays to a loyalty program liability within deferred revenue and other current liabilities on the Consolidated Balance Sheet. The estimated selling price of each point is based on the estimated value of product for which the point is expected to be redeemed, net of points not expected to be redeemed, based on historical redemption. When a customer redeems earned points, revenue is recognized with a corresponding reduction to the program liability.

The Company also offers a paid membership program, PRO Access, which provides members with ~~sample boxes throughout the membership year~~ everyday cash back rewards, enhanced cash back rewards on a periodic basis, and free virtual healthcare and prescriptions through GNC Health, as well as the offering of certain other benefits such as the ~~opportunity to earn triple points on a periodic basis. The boxes include sample merchandise and other materials. The Company allocates the transaction price of the membership to the sample boxes and other benefits based on the estimated stand-alone prices~~ free expedited shipping and a free bar or drink with any purchase once monthly. The membership price paid is recorded within deferred revenue and other current liabilities on the Consolidated Balance Sheet and subsequently recognized as revenue as the underlying performance obligations are satisfied.

Revenue from gift cards is recognized when the gift card is redeemed. Gift cards do not have expiration dates and are not required to be escheated to government authorities. Utilizing historical redemption rates, the Company recognizes revenue for amounts not expected to be redeemed proportionately as other gift card balances are redeemed.

Revenues from domestic and international franchisees include wholesale product sales, franchise fees and royalties, as well as cooperative advertising and other franchise support fees specific to domestic franchisees. Revenues are recorded within the U.S. and Canada segment for domestic franchisees and the International segment for international franchisees. The Company's franchisees purchase a significant amount of the products that they sell in their retail stores from the Company at wholesale prices. Revenue on product sales to franchisees and other franchise support fees (including construction, equipment and other

## GNC HOLDINGS, LLC AND SUBSIDIARIES

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

administrative fees) are recognized upon transfer of control to the franchisee, net of estimated returns and allowances. Franchise license fees, royalties and continuing services, such as cooperative advertising, are not separate and distinct performance obligations as they are highly dependent on each other in supporting the overall brand. Franchise fees for the license are paid in advance, and are deferred and recognized over the applicable license term as the Company satisfies the performance obligation of granting the customer access to the rights of its intellectual property. Franchise royalties and cooperative advertising contributions are variable consideration based on a percentage of the franchisees' retail sales, which are recognized in the period the franchisees' underlying sales occur, and are not included in the upfront transaction price for the overall performance obligation relating to providing access to the Company's intellectual property. The International segment also includes revenues generated from transactions with the HK JV and China JV, as defined in Note 98. "Equity Method Investments," including wholesale product sales, royalties, and service fees.

The Wholesale segment generates revenue from sales to third-party customers at wholesale prices ~~and from license fees for the store within a store alliance with Rite Aid.~~ Wholesale sales are recognized upon transfer of control, net of estimated returns and allowances. ~~Prior to 2023, the Wholesale segment also generated revenue from license fees for the store-within-a-store alliance with Rite Aid.~~ License fees ~~are~~ were paid in advance and ~~are~~ were deferred and recognized over the applicable license term as the Company ~~satisfies~~ satisfied the performance obligation of granting the customer access to the rights of its intellectual property. The Company entered ~~into~~ a new agreement with Rite Aid in 2022 allowing the operating license that comprises the store-within-a-

store alliance to expire. Rite Aid deferred license fees of \$1.5 million were recognized to revenue upon expiration of the operating license agreement ~~in 2022~~.

**Cost of Sales.** The Company purchases products directly from third-party vendors and the Manufacturing JV, as defined in Note 98. "Equity Investments." Cost of sales includes product costs, vendor allowances, inventory obsolescence, shrinkage, warehousing, distribution, shipping and store occupancy costs. Store occupancy costs include rent, common area maintenance charges, real estate and other asset-based taxes, general maintenance, utilities, depreciation, lease incentives and certain insurance expenses.

**Vendor Allowances.** ~~The~~ Company receives allowances/credits from various vendors through a business development fund taken as a percentage deduction from the vendors' invoice. The Company may also receive allowances/credits from vendors based on either sales or purchase volumes, right of return for expired product and non-saleable customer returns, and promotional support. As the right of offset exists under these arrangements, credit earned under these arrangements are recorded as a reduction in the vendors' accounts payable balances on the Consolidated Balance Sheet and represent the estimated amounts due to the Company under the provisions of such contracts. Amounts expected to be received from vendors relating to the purchase of merchandise inventories are recognized as a reduction to cost of sales as the merchandise is sold. Amounts that represent a reimbursement of costs incurred, such as advertising, are recorded as a reduction to the related expense in the period that the expense is incurred. The Company recorded a reduction to cost of sales of \$~~41.2 million, \$33.8 million, and \$28.5 million~~ for the years ended December ~~31, 2023, 2022, and 2021, respectively, and \$3.0 million for the period from August 17, 2020 (inception) through December 31, 2020~~ for vendor allowances associated with the purchase and sale of merchandise.

**Research and Development.** Research and development costs arising from internally generated projects are expensed as incurred. The Company recognized ~~\$1.8 expense of \$4.7 million, \$2.4.9 million, and \$1.02.9 million~~ for the years ended December 31, ~~2023, 2022, and 2021~~ ~~and period from August 17, 2020 (inception) through December 31, 2020~~, respectively, relating to research and development. ~~The prior period amounts have been adjusted to correct the research and development costs incurred from internally generated projects.~~

**Advertising Expenditures.** The Company recognizes the costs of advertising, promotion and marketing programs the first time the communication takes place. The Company recognized advertising expense of \$~~67.2 million, \$72.6 million, and~~

## GNC HOLDINGS, LLC AND SUBSIDIARIES

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

\$87.1 million, ~~and \$16.5 million~~ for the years ended December 31, 2023, 2022, and 2021 ~~and period from August 17, 2020 (inception) through December 31, 2020~~, respectively.

**Leases.** The Company leases ~~all of~~ its company-owned retail stores in the U.S. and Canada segment, ~~some of the domestic franchise stores which are leased and subleased to franchisees,~~ its distribution centers in the United States and retail stores in Ireland. Some of the domestic franchise stores in the U.S. and Canada segment are leased and subleased to franchisees. In addition, the Company has leased office locations, vehicles and equipment to support its store and supply chain operations. All of the Company's leases are classified as operating leases and do not contain any material restrictive covenants.

The Company determines if a contract contains a lease at inception. The lease liabilities are recognized based on the present value of the future minimum lease payments over the term at the commencement date for leases exceeding 12 months. The lease agreements generally contain lease and non-lease components. Non-lease components primarily include payments for maintenance and utilities. The minimum lease payments include only fixed lease components, as well as any variable rate payments that depend on an index, initially measured using the index at the lease commencement date. Lease terms may include options to renew when it is reasonably certain that the Company will exercise an option. The Company estimates its incremental borrowing rate, ~~which was~~. The incremental borrowing rate is estimated to approximate the interest rate on a collateralized basis with similar terms and payments for each lease. The right-of-use assets recognized are initially equal to the lease liability, adjusted for any lease payments made on or before the commencement dates and lease incentives.

The lease liabilities for the operating leases are amortized using the effective interest method. The right-of-use asset is amortized by taking the difference between total rent expense recorded on a straight-line basis and the lease liability amortization. When the right-of-use asset for an operating lease is impaired, lease expense is no longer recognized on a straight-line basis. For impaired leases, the Company continues to amortize the lease liability using the same effective interest method as before the impairment charge and the right-of-use asset is amortized on a straight-line basis.

**Contingencies.** The Company records accruals for outstanding legal matters when it believes it is probable that a loss will be incurred and the amount of such loss can be reasonably estimated. The Company evaluates developments in legal matters that could affect the amount of any accrual and developments that would make a loss contingency both probable and reasonably estimable. If both of the conditions above are not met, disclosure is made when there is at least a reasonable possibility that a loss contingency has been incurred. As facts concerning contingencies evolve and become known, management reassesses the likelihood of a probable loss and makes appropriate adjustments to its financial statements.

**Pre-Opening Expenditures.** The Company recognizes the cost associated with the opening of new stores, which consist primarily of rent, marketing, payroll and recruiting costs, as incurred.

**Income Taxes.** The Company accounts for income taxes using the asset and liability method. Under this method, deferred tax assets and liabilities result from (i) the future tax impact of temporary differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases, and (ii) differences between the recorded value of assets acquired in business combinations accounted for as purchases for financial reporting purposes and their corresponding tax bases. The Company regularly reviews the components of the deferred tax assets. This review is to ascertain that, based upon all the information available at the time of the preparation of the financial statements, it is more likely than not that the Company expects to utilize these deferred tax assets in the future. If the Company determines that it is more likely than not that these deferred tax assets will not be utilized, a valuation allowance is recorded, reducing the deferred tax asset to the amount expected to be realized. Many factors are considered in the determination that the deferred tax assets are more likely than not to be realized, including recent cumulative earnings, the Company's ability to continue as a going concern, expectations regarding future taxable income, length of carryforward periods, and other relevant quantitative and qualitative factors. The recoverability of the deferred tax assets is determined by assessing the adequacy of future expected taxable income from all sources, including the reversal of

## GNC HOLDINGS, LLC AND SUBSIDIARIES

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

taxable temporary differences, forecasted operating earnings, and tax planning strategies. The Company classifies interest and penalties accrued in connection with unrecognized tax benefits as income tax expense in its Consolidated Statement of Operations.

**Self-Insurance.** The Company is self-insured for certain losses related to workers' compensation and general liability insurance and maintains stop-loss coverage with third-party insurers to limit its liability exposure. Liabilities associated with these losses are estimated by considering historical claims experience, estimated lag time to report and pay claims, average cost per claim and other actuarial factors.

**Foreign Currency.** For all active foreign operations, the functional currency is generally the local currency. Assets and liabilities of foreign operations are translated into the Company's reporting currency, the U.S. dollar, using period-end exchange rates, while income and expenses are translated using the average exchange rates for the reporting period. Translation gains and losses are recorded as part of accumulated other comprehensive income on the Consolidated Balance Sheet. The Company has intercompany balances with its foreign entities that are routinely settled primarily relating to product sales and management fees. Gains or losses resulting from these foreign currency transactions, included in the Consolidated Statement of Operations, were not material for the years ended December 31, 2023, 2022, and 2021 ~~and period from August 17, 2020 (inception) through December 31, 2020.~~

#### **NOTE 3. ACQUISITION**

##### *Acquisition*

~~On June 23, 2020, GNC Holdings, Inc. and certain of its subsidiaries ("Debtors") commenced voluntary cases under Chapter 11 of the United States Bankruptcy Code in the United States Bankruptcy Court for the District of Delaware (the "Bankruptcy Court"). The Debtors' Chapter 11 proceedings were jointly administered under the caption In re GNC Holdings, Inc., et al. (the "Chapter 11 Cases").~~

~~On August 7, 2020, Harbin Pharmaceutical Group Holding Co., Ltd. ("Parent") agreed to acquire substantially all of the Debtor's assets and assume certain liabilities pursuant to the Stalking Horse Agreement (as amended from time to time, the "Stalking Horse Agreement"). GNC Holdings, LLC was subsequently formed as a wholly owned subsidiary of Parent on August 17, 2020 (inception). On October 7, 2020, the Parent completed the acquisition for \$760 million (the "Acquisition"), and commenced operations. The Acquisition was consummated through a series of transactions contemplated by the Stalking Horse Agreement, whereby, immediately prior to the closing, the Debtors (a) transferred substantially all of their assets (other than their Canadian assets) to the Company, and (b) transferred substantially all of their Canadian assets to GNC Canada Holdings ULC, a Nova Scotia unlimited liability company formed as a wholly owned subsidiary of the Company. At the closing of the Acquisition, the Parent, indirectly through ZT Biopharmaceutical LLC ("ZT"), a Delaware limited liability company and wholly owned subsidiary of Parent, owned 100% of the Company.~~

~~The purchase price of \$760 million consists of both cash and non-cash consideration as follows:~~

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

In March 2020, the Financial Accounting Standards Board issued Accounting Standards Update ("ASU") 2020-04, Reference Rate Reform (Topic 848): Facilitation of the Effects of Reference Rate Reform on Financial Reporting. This update provides practical expedients for contracts, hedging relationships, and other transactions that reference the London Interbank Offered Rate ("LIBOR") or another rate affected by reference rate reform if certain criteria are met. In response to the concerns about the structural risks and integrity of Interbank Offered Rates and, particularly, the risk of cessation of LIBOR, regulators have undertaken reference rate reform initiatives to identify alternative reference rates that are more observable and less

**GNC HOLDINGS, LLC AND SUBSIDIARIES**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)**

susceptible to manipulation. The guidance in this ASU may be applied as of any date subsequent to March 12, 2020 and lasts until December 2024. The Company's Initial Term Loan and Second Lien Term Loan were amended to replace LIBOR as the reference rate with an adjusted secured overnight financing rate ("SOFR"). The Company adopted ASU 2020-04 in the second quarter of 2023 on a prospective basis. The adoption of this standard did not have a material impact on the Company's financial statements and related disclosures.

**NOTE 3. REVENUE**

Revenue is recognized when obligations under the terms of a contract with the customer are satisfied; generally, this occurs with the transfer of control of products or services. The Company satisfies performance obligations either over time or at a point in time as discussed in further detail below. Revenue is measured as the amount of consideration expected to be received in exchange for transferring goods or providing services. Applicable sales tax collected concurrent with revenue-producing activities is excluded from revenue.

**U.S. and Canada Revenue**

The following is a summary of revenue disaggregated by major source in the U.S. and Canada reportable segment:

| <del>-</del>                                   | <del>(in thousands) Year ended December 31,</del> |                       |                       |
|--|---|-----------------------|-----------------------|
| <del>Cash consideration:</del>                 | <del>2023</del>                                   | <del>2022</del>       | <del>2021</del>       |
| <del>Initial Term Loan (Note 8)</del>          |   | <del>\$ 400,000</del> |                       |
| <del>Cash contribution from Parent</del>       |   |                       | <del>150,000</del>    |
| <del><b>Total cash consideration</b></del>     |   |                       | <del>550,000</del>    |
| <del><b>Non-cash consideration:</b></del>      |   |                       |                       |
| <del>Second Lien Term Loan (Note 8)</del>      |   |                       | <del>184,380</del>    |
| <del>Equity contribution from Parent</del>     |   |                       | <del>25,620</del>     |
| <del><b>Total non-cash consideration</b></del> |   |                       | <del>210,000</del>    |
| <del><b>Total consideration</b></del>          |   |                       | <del>\$ 760,000</del> |

The non-cash purchase consideration included the issuance of \$184.4 million in second lien notes to the acquiree's Tranche B-2 term lenders in accordance with the Stalking Horse Agreement and a \$25.6 million equity contribution from Parent.

**GNC HOLDINGS, LLC AND SUBSIDIARIES**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)**

The Acquisition was accounted for as a business combination in accordance with ASC 805, whereby the assets acquired and liabilities assumed were recognized at fair value as of October 7, 2020. The following table summarizes a reconciliation to the total purchase price by the fair value amounts of each major class of transactions:

|  | <b>(in thousands)</b> |
|--|-----------------------|
| Cash and cash equivalents                      | \$ 53,020             |
| Receivables                                    | 62,490                |
| Receivables due from related parties           | 9,784                 |
| Inventory                                      | 248,130               |
| Prepaid and other current assets               | 37,559                |
| Brand name                                     | 97,000                |
| Other intangible assets                        | 109,100               |
| Property, plant and equipment                  | 78,885                |
| Right of use assets                            | 104,726               |
| Equity method investments                      | 61,900                |
| Other long term assets                         | 14,514                |
| <b>Total assets acquired</b>                   | <b>877,108</b>        |
| Accounts payable                               | (64,036)              |
| Accounts payable due to related parties        | (14,697)              |
| Current lease liabilities                      | (43,892)              |
| Deferred revenue and other current liabilities | (62,456)              |
| Lease liabilities                              | (60,835)              |
| Other long term liabilities                    | (4,202)               |
| <b>Total liabilities assumed</b>               | <b>(250,118)</b>      |
| Net assets acquired excluding goodwill         | 626,990               |
| Goodwill                                       | 133,010               |
| <b>Net assets acquired</b>                     | <b>\$ 760,000</b>     |

## GNC HOLDINGS, LLC AND SUBSIDIARIES

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

~~In accordance with the Stalking Horse Agreement, funds from the Acquisition were placed in segregated escrow accounts held by the Debtors for purposes of paying and discharging certain claims and specified liabilities in connection with the Chapter 11 proceedings to the extent they are not settled by the Company, as well as to support the wind down of any remaining business of the Debtor entities. In addition, an approximately \$7 million tax refund that was received from the overpayment of estimated U.S. federal income taxes from the 2019 taxable year ("2019 Tax Refund Proceeds") was placed in a segregated escrow account held by the Debtors for satisfying certain tax related liabilities and claims. Any remaining funds in escrow after the claims and specified liabilities are discharged, the plan administrator is required to either remit the funds to the Company or to the 2L Term Loan agent on behalf of the Company pursuant to the Stalking Horse Agreement.~~

~~During 2021, the Company recorded adjustments to the fair value of the assets acquired and liabilities assumed during the measurement period resulting in an increase of \$28.6 million to the net assets acquired excluding goodwill with the corresponding decrease to goodwill. The measurement period adjustments included \$11.8 million excess funds in escrow released by the Debtors to pay down a portion of the Second Lien Term Loan notes on behalf of the Company and recognized as a reduction to long term debt with a corresponding reduction to goodwill on the Company's Consolidated Balance Sheet. In addition, an adjustment of \$16.8 million was recorded for the U.S. federal and state tax refund that is expected as a result of the final tax return filings of GNC Holdings, Inc for the 2020 taxable year ("2020 Tax Refund Proceeds".) The plan administrator to the Debtors is required to remit the 2020 Tax Refund Proceeds to the Company in accordance with the terms of the Stalking Horse Agreement. The Company shall then utilize the 2020 Tax Refund Proceeds for prepayment of the 2L Term Loan. The 2020 Tax Refund Proceeds was recorded to other long term assets with a corresponding reduction to goodwill on the Company's Consolidated Balance Sheet.~~

~~In the fourth quarter of 2022, \$1.6 million excess funds in escrow was released by the Debtors to pay down a portion of the 2L Term Loan on behalf of the Company which was recognized as a reduction to long term debt on the Consolidated Balance Sheets and a gain on the Statement of Operations. To the extent there are excess funds from the 2019 Tax Refund Proceeds or other escrow accounts, the Company could realize a material gain in future periods.~~

GNC HOLDINGS, LLC AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

**NOTE 4. REVENUE**

~~Revenue is recognized when obligations under the terms of a contract with the customer are satisfied; generally, this occurs with the transfer of control of products or services. The Company satisfies performance obligations either over time or at a point in time as discussed in further detail below. Revenue is measured as the amount of consideration expected to be received in exchange for transferring goods or providing services. Applicable sales tax collected concurrent with revenue producing activities is excluded from revenue.~~

~~U.S. and Canada Revenue~~

~~The following is a summary of revenue disaggregated by major source in the U.S. and Canada reportable segment:~~

|  | <u>Year ended</u><br><u>December 31, 2022</u> | <u>Year ended</u><br><u>December 31, 2021</u> | <u>Period from</u><br><u>August 17, 2020</u><br><u>(inception) through</u><br><u>December 31, 2020</u> |
|--|---|---|--|
| (in thousands)   |   |   |  |
| <b>U.S. company-owned product sales: <sup>(1)</sup></b>  |   |   |  |
| Protein  | \$  | \$  | \$   |
| Performance supplements                                  | 263,932                                       | 245,338                                       | 44,991   |
| Weight management  | 37,810  | 53,884  | 10,672   |
| Vitamins   | 119,182                                       | 120,382                                       | 35,023   |
| Herbs / Greens   | 46,291  | 51,595  | 10,226   |
| Wellness   | 85,858  | 94,178  | 24,101   |
| Health / Beauty  | 83,061  | 101,732                                       | 23,558   |
| Food / Drink   | 56,062  | 59,240  | 9,984  |
| General merchandise                                      | 13,812  | 13,458  | 2,901  |
| <b>Total U.S. company-owned product sales</b>            | <u>961,941</u>                                | <u>984,909</u>                                | <u>207,425</u>   |
| Wholesale sales to franchisees                           | 199,332                                       | 224,840                                       | 39,875   |
| Royalties and franchise fees                             | 27,431  | 28,249  | 5,135  |
| Cooperative advertising and other franchise support fees | 17,542  | 17,903  | 3,398  |
| Other <sup>(2)</sup>                                     | 59,145  | 54,662  | 14,830   |
| <b>Total U.S. and Canada revenue</b>                     | <u>\$</u>                                     | <u>\$</u>                                     | <u>\$</u>  |

(1) Includes E-commerce sales.

(2) Includes revenue primarily related to Canada operations and loyalty programs, myGNC Rewards and PRO Access.

**International Revenue**

The following is a summary of the revenue disaggregated by major source in the International reportable segment:

|                                       | <u>Year ended</u><br><u>2023</u> | <u>Year ended</u><br><u>2022</u> | <u>Period from</u><br><u>2021</u> |
|---------------------------------------|----------------------------------|----------------------------------|-----------------------------------|
| (in thousands)                        |                                  |                                  |                                   |
| Wholesale sales to franchisees        | \$ 77,921                        | \$ 56,958                        | \$                                |
| Wholesale sales to HK JV and China JV | 12,032                           | 11,681                           | 6,456                             |
| Royalties and franchise fees          | 14,830                           | 16,005                           | 4,873                             |
| Other                                 | 13,705                           | 17,258                           | 4,715                             |
| <b>Total International revenue</b>    | <u>\$ 118,488</u>                | <u>\$ 90,221</u>                 | <u>\$</u>                         |

**GNC HOLDINGS, LLC AND SUBSIDIARIES**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)**

**Wholesale Revenue**

The following is a summary of the revenue disaggregated by major source in the Wholesale reportable segment:

|                                | <u>Year ended</u>        | <u>Year ended</u> | <u>Period from</u> |
|--------------------------------|--------------------------|-------------------|--------------------|
|                                | <u>2023</u>              | <u>2022</u>       | <u>2021</u>        |
| (in thousands)                 |                          |                   |                    |
| Wholesale partner sales        | \$ 84,278,524.459        | \$                | \$                 |
| <b>Total Wholesale revenue</b> | <b>\$ 84,278,524.459</b> | <b>\$</b>         | <b>\$</b>          |

**Revenue by Geography**

The following is a summary of the revenue by geography:

|  | <u>Year ended</u>           | <u>Year ended</u> | <u>Period from</u> |
|--|-----------------------------|-------------------|--------------------|
|  | <u>2023</u>                 | <u>2022</u>       | <u>2021</u>        |
| (in thousands)   |                             |                   |                    |
| <b>Total revenues by geographic areas<sup>(1)</sup>:</b> |                             |                   |                    |
| United States  | \$ 1,429,123,301.617        | \$                | \$                 |
| Foreign  | 39,034,333.308              | 41,606,639.       | 9,3764             |
| <b>Total revenues</b>                                    | <b>\$ 1,468,157,334.925</b> | <b>\$</b>         | <b>\$</b>          |

(1) Geographic areas are defined based on legal entity jurisdiction.

**Balances from Contracts with Customers**

Contract liabilities include payments received in advance of performance under the contract. ~~The Company's PRO Access and loyalty program points and gift card liability are recorded within deferred revenue and other current liabilities on the Consolidated Balance Sheet. Deferred franchise and license fees are recorded~~The Company records contract liabilities within deferred revenue and other current liabilities and other long-term liabilities on the Consolidated Balance Sheet.

The following table presents changes in the Company's contract liabilities:

|  | <u>Year ended December 31, <del>2022</del>2023</u> |   |   |                                 |
|--|--|---|---|---------------------------------|
|  | <u>Balance at beginning of period</u>              | <u>Recognition of revenue included in beginning balance</u> | <u>Contract liability, net of revenue, recognized during the period</u> | <u>Balance at end of period</u> |
| (in thousands)   |  |   |   |                                 |
| <del>Deferred franchise</del> Franchise and license fees                       | \$   | \$  | \$  | \$                              |
| PRO Access <del>membership fee</del> and loyalty program points <sup>(1)</sup> | 19,8511<br>6.842                                   | (18,4331<br>6.842)  | 15,4241<br>3.610  | 16,8421<br>3.610                |
| Gift card liability <sup>(1)</sup>   | 2,7195   | (1,6464   | 1,5023  | 2,5755                          |

(1) Net of estimated breakage

**GNC HOLDINGS, LLC AND SUBSIDIARIES**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)**

|  | Year ended December 31, <del>2022</del> 2021 |  |  |                          |
|--|--|--|--|--------------------------|
|  | Balance at beginning of period               | Recognition of revenue included in beginning balance | Contract liability, net of revenue, recognized during the period | Balance at end of period |
|  | (in thousands)                               |  |  |                          |
| <del>Defered franchise</del> Franchise and license fees                        | \$   | \$   | \$   | \$                       |
| PRO Access <del>membership fee</del> and loyalty program points <sup>(1)</sup> | 14,189 <del>1</del>                          | (11,481 <del>1</del>                                 | 17,143 <del>1</del>  | 19,851 <del>1</del>      |
|  | 9,851  | 8,433)   | 5,424  | 6,842                    |
| Gift card liability <sup>(1)(2)</sup>  | 1,948 <del>2</del>                           | (801 <del>1,6</del>                                  | 1,572 <del>5</del>   | 2,719 <del>5</del>       |

(1) Net of estimated breakage

(2) The prior period presentation has been adjusted to correct the revenue included in the beginning balance and corresponding balance at the end of period.

As of December 31, ~~2022~~2023, the Company had ~~deferred franchise and license fees~~contract liabilities with unsatisfied performance obligations extending ~~throughout 2031 through 2033~~ of \$6.4~~23.3~~ million, of which \$1.3~~16.7~~ million is expected to be recognized over the next 12 months. ~~As of December 31, 2021, the Company had deferred franchise and license fees with unsatisfied performance obligations extending throughout 2030 of \$5.1 million, of which \$0.8 million was recognized over the next 12 months.~~

**NOTE 54. INCOME TAXES**

~~GNC Holdings, LLC files a consolidated federal tax return and various consolidated and separate tax returns as prescribed by the tax laws of the state, local and international jurisdictions in which it and its subsidiaries operate.~~

GNC Holdings, LLC files a consolidated federal tax return and various consolidated and separate tax returns as prescribed by the tax laws of the state, local and international jurisdictions in which it and its subsidiaries operate.

(Loss) income before income taxes, including the income (loss) from equity method investments, consisted of the following components:

|   | Year ended<br>December 31, 2022 | Year ended<br>December 31, 2021 | Period from August 17, 2020<br>(inception) through<br>December 31, 2020 |
|---|---------------------------------|---------------------------------|---|
|   | 2023                            | 2022                            | 2021  |
|   | (in thousands)                  |                                 |   |
| Domestic                                      | \$ 43,271                       | \$                              | \$  |
| Foreign                                       | (19,                            | (5,053 <del>19</del>            | (355 <del>05</del>  |
| <del>Income</del> (Loss) income before income | \$ 23,431                       | \$                              | \$  |

**GNC HOLDINGS, LLC AND SUBSIDIARIES**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)**

(1) Includes [income](#) (loss) from equity method investments

Income tax [\(benefit\)](#) expense consisted of the following components:

|   | <u>Year ended — December 31, 2022</u> | <u>Year ended</u> | <u>Period from</u> |
|---|---------------------------------------|-------------------|--------------------|
|   | <u>2023</u>                           | <u>2022</u>       | <u>2021</u>        |
| -   | (in thousands)                        |                   |                    |
| <b>Current:</b>                                   |                                       |                   |                    |
| Federal   | \$                                    | \$                | \$                 |
| State   |                                       |                   |                    |
| Foreign   |                                       |                   |                    |
| <b>Total current income</b>                       |                                       |                   |                    |
| <b>Deferred:</b>                                  |                                       |                   | -                  |
| Federal   |                                       |                   |                    |
| State   |                                       |                   |                    |
| Foreign   |                                       |                   |                    |
| <b>Total deferred income</b>                      |                                       |                   |                    |
| <b>Total income tax <a href="#">(benefit)</a></b> | <b>\$</b>                             | <b>\$</b>         | <b>\$</b>          |

Income tax [\(benefit\)](#) expense reflected in the accompanying Consolidated Statement of Operations varies from the amounts that would have been provided by applying the United States federal statutory income tax rate of 21% to income before income taxes as shown below:

|   | <u>Year ended December 31, 2022</u> | <u>Year ended</u>        | <u>The period</u>        |
|---|-------------------------------------|--------------------------|--------------------------|
|   | <u>2023</u>                         | <u>2022</u>              | <u>2021</u>              |
| -   | (in thousands)                      |                          |                          |
| U.S. federal statutory income             | 21.0 %                              | 21.0 %                   | 21.0 %                   |
| Increase (reduction) resulting            |                                     |                          |                          |
| State income tax, net of                  | <u>10.04.1</u> %                    | <u>5.09.9</u> %          | <u>5.30</u> %            |
| <a href="#">Effect of rates different</a> | <u>2.8</u> %                        | <u>1.8</u> %             | <u>0.6</u> %             |
| <a href="#">Tax credits</a>               | <u>3.0</u> %                        | <u>(6.4)</u> %           | <u>(3.4)</u> %           |
| International operations                  | <u>6.1(2.8)</u> %                   | <u>1.95.7</u> %          | <u>0.42.3</u> %          |
| Change in valuation                       | <u>19.1(6.4)</u> %                  | <u>3.220.9</u> %         | <u>3.26</u> %            |
| <a href="#">Tax credits</a>               | <u>(4.7)</u> %                      | <u>(1.2)</u> %           | <u>(1.6)</u> %           |
| Other                                     | <u>(0.1)2.2</u> %                   | <u>(0.31.5)</u> %        | <u>(0.9)5</u> %          |
| <b>Income tax <a href="#">expense</a></b> | <b><u>51.423.9</u> %</b>            | <b><u>29.651.4</u> %</b> | <b><u>27.429.6</u> %</b> |

**GNC HOLDINGS, LLC AND SUBSIDIARIES**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)**

Deferred tax assets and liabilities consisted of the following at December 31, ~~2022~~2023 and ~~2021~~2022:

|  | <b>December 31,</b>    | <b>December 31,</b>    |
|--|------------------------|------------------------|
|  | <b>(in thousands)</b>  |                        |
| <b>Deferred tax assets:</b>                                    |                        |                        |
| <u>Inventory</u>   | <u>\$ 13,831</u>       | <u>\$ 10,491</u>       |
| <del>Operating</del> Other operating reserves                  | <del>8,682</del>       | <del>8,751</del>       |
| Lease liabilities  | <del>35,081</del> 4    | <del>16,813</del> 3    |
| Net operating loss and credit carryforwards                    | 6,944                  | 2,095                  |
| Deferred revenue   | <u>3,429</u>           | <u>2,094</u>           |
| <del>Long-term rent liabilities</del> Capitalized research and | 522                    | —                      |
| <u>Charitable contributions</u>                                | <u>1,561</u>           | <u>—</u>               |
| Other  |                        | 1,669                  |
| Valuation allowance  | <del>(6,942)</del>     | <del>(2,094)</del>     |
| <b>Total deferred tax assets</b>                               | <b><u>57,024</u></b>   | <b><u>29,328</u></b>   |
| <b>Deferred tax liabilities:</b>                               |                        |                        |
| Prepaid expenses   | <del>(1,129)</del>     | <del>(973)</del> 1     |
| Fixed assets   | <del>(3,639)</del>     | <del>(4,179)</del> 3   |
| Intangible assets  | <del>(7,381)</del> 10  | <del>(3,979)</del> 7   |
| Right of use assets  | <del>(34,258)</del> 3  | <del>(17,723)</del> 3  |
| <b>Total deferred tax liabilities</b>                          | <b><u>(46,407)</u></b> | <b><u>(26,854)</u></b> |
| <b>Net deferred tax asset/(liability)</b>                      | <b><u>\$</u></b>       | <b><u>\$</u></b>       |

## GNC HOLDINGS, LLC AND SUBSIDIARIES

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

The Company regularly reviews deferred tax assets. The review is to ascertain that, based upon all the information available at the time of the preparation of the financial statements, it is more likely than not that the Company expects to utilize these deferred tax assets in the future. If the Company determines that it is more likely than not that these deferred tax assets will not be utilized, a valuation allowance is recorded, reducing the deferred tax asset to the amount expected to be realized. In assessing the need for a valuation allowance, the Company considers all available positive and negative evidence, including the Company's operating results, reversals of deferred tax liabilities, and forecasts of future taxable income on a jurisdiction-by-jurisdiction basis. The valuation allowance recorded is related to net operating losses generated in Canada, Ireland, Hong Kong and China. The valuation allowance increased by \$4.82.0 million primarily driven by losses incurred at the foreign jurisdictions.

The net operating losses in Ireland do not expire. Net operating losses in China ~~and will expire in 2027~~. The net operating losses in Canada will expire in ~~2025 and~~ 2040. Research and Development and Work Opportunity Tax Credits generated in the United States will expire in 2040. Foreign tax credits generated in the United States will expire in 2030.

The Company's foreign subsidiaries generate earnings that are not subject to U.S. to incremental taxes so long as they are permanently reinvested in its operations outside of the U.S. Pursuant to ASC 740-30, undistributed earnings of foreign subsidiaries that are no longer permanently reinvested would become subject to deferred income taxes. The Company does not have any material undistributed earnings of international subsidiaries at December 31, ~~2022~~2023 as these subsidiaries are considered to be branches for United States tax purposes, to have incurred cumulative NOLs, or to have only minimal undistributed earnings.

As of December 31, 2022, an uncertain tax position was booked in the amount of \$0.1 million related to apportionment positions taken on the 2021 state tax returns. Management believes no additional reserves are required for unrecognized tax benefits for the year ended December 31, ~~2022~~2023.

**GNC HOLDINGS, LLC AND SUBSIDIARIES**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)**

**NOTE 65. GOODWILL AND INTANGIBLE ASSETS**

The Company's net assets were acquired by Harbin Pharmaceutical Group Holding Co., Ltd. in October 2020. In connection with the Acquisition on October 7, 2020, as discussed in Note 3, "Acquisition", this acquisition, the Company recorded \$133.0 million of goodwill and a \$97.0 million indefinite-lived intangible asset related to its brand name.

The following table summarizes the Company's goodwill by reportable segment:

|                       | <u>December 31, 2023</u> | <u>December 31, 2022</u> |
|-----------------------|--------------------------|--------------------------|
| -                     |                          |                          |
|                       | (in thousands)           |                          |
| U.S. and Canada       | \$ 42,330                | \$ 42,330                |
| International         | 53,532                   | 53,532                   |
| Wholesale             | 8,555                    | 8,555                    |
| <b>Total Goodwill</b> | <b>\$ 104,417</b>        | <b>\$ 104,417</b>        |

During the fourth quarter of 2023, the Company recorded adjustments performed its annual quantitative impairment analysis and determined that no impairment was necessary. This analysis resulted in estimated fair values that were substantially in excess of their respective carrying values; however the estimated fair values decreased compared to the prior year due to decreased financial results. If actual market conditions are less favorable than the Company's forecasted financial results, or if events occur or circumstances change that would reduce the fair value of the assets acquired and liabilities assumed during the measurement period, resulting in an increase of \$28.6 million to the net assets acquired excluding goodwill, which reduced Company's reporting units below their carrying values, management may be required to \$104.4 million as of December 31, 2021. The measurement period adjustments included \$11.8 million released by the Debtors from excess funds in escrow to pay down a portion of the 2L Term Loan on behalf of the Company and \$16.8 million for the 2020 Tax Refund Proceeds. No impairment was recorded for the years ended December 31, 2022 or 2021, or period from August 17, 2020 (inception) through December 31, 2020 conduct an interim test or potentially recognize impairment charges in future periods.

The following table reflects the gross carrying amount and accumulated amortization for each major intangible asset:

|                           |                       | <u>December 31, 2023</u> |                          |                   | <u>December 31, 2022</u> |                          |                   |
|---------------------------|-----------------------|--------------------------|--------------------------|-------------------|--------------------------|--------------------------|-------------------|
|                           |                       | Gross                    | Accumulated Amortization | Carrying Amount   | Gross                    | Accumulated Amortization | Carrying Amount   |
|                           | Weighted-Average Life | (in thousands)           |                          |                   |                          |                          |                   |
| Brand name                | Indefinite            | \$ 97,000                | \$ —                     | \$ 97,000         | \$ 97,000                | \$ —                     | \$ 97,000         |
| Customer loyalty programs | 10                    | 17,500                   | (3,907)                  | 13,593            | 17,500                   | (2,158)                  | 15,342            |
| Military agreements       | 15                    | 3,700                    | (547)                    | 3,153             | 3,700                    | (304)                    | 3,396             |
| Franchise agreements      | 23                    | 58,900                   | (5,718)                  | 53,182            | 58,900                   | (3,157)                  | 55,743            |
| Wholesale relationships   | 14                    | 29,000                   | (5,050)                  | 23,950            | 29,000                   | (3,101)                  | 25,899            |
| <b>Total</b>              |                       | <b>\$ 206,100</b>        | <b>\$ (15,226)</b>       | <b>\$ 190,874</b> | <b>\$ 206,100</b>        | <b>\$ (15,226)</b>       | <b>\$ 190,874</b> |

Amortization expense during the years ended December 31, 2023, 2022, and 2021 was \$6.5 million, \$6.5 million, and \$7.0 million, respectively. Amortization expense during the period from August 17, 2020 (inception) through December 31, 2020 was \$1.7 million.

**GNC HOLDINGS, LLC AND SUBSIDIARIES**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)**

The following table represents future amortization expense of definite-lived intangible assets at December 31, ~~2022~~2023:

|  | Amortization<br>Expense |
|--|-------------------------|
|  | (in thousands)          |
| <del>2023</del>                          | <del>\$ 6,506</del>     |
| 2024                                     | 6,506                   |
| 2025                                     | 6,506                   |
| 2026                                     | 6,506                   |
| 2027                                     | 6,506                   |
| Thereafter                               | <del>67,850</del> 6     |
| <b>Total future amortization expense</b> | <b>\$</b>               |

**GNC HOLDINGS, LLC AND SUBSIDIARIES**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)**

**NOTE 76. PROPERTY, PLANT AND EQUIPMENT, NET**

Property, plant and equipment, net, consisted of the following:

|  | <u>December 31,</u>         | <u>December 31,</u>         |
|--|-----------------------------|-----------------------------|
|  | (in thousands)              |                             |
| Machinery and equipment                    | \$                          | \$                          |
| Leasehold improvements                     | 29,971 <del>3</del>         | 21,963 <del>2</del>         |
| Furniture and fixtures                     | 20,815 <del>2</del>         | 14,098 <del>2</del>         |
| Software                                   | 10,936 <del>1</del>         | 9,884 <del>10</del>         |
| Construction in progress                   | 2,4 <del>2</del>            | 6,522 <del>2</del>          |
| <b>Total property, plant and equipment</b> | <u>106,328<del>1</del></u>  | <u>84,169<del>10</del></u>  |
| Less: accumulated depreciation             | <u>(47,199<del>6</del>)</u> | <u>(30,260<del>4</del>)</u> |
| <b>Property, plant and equipment, net</b>  | <u>\$</u>                   | <u>\$</u>                   |

The Company ~~recognized records~~ depreciation expense on property, plant and equipment of \$21.6 million and \$26.7 million for the years ended December 31, 2022 and 2021, respectively, and \$6.9 million for the period from August 17, 2020 (inception) through December 31, 2020, which is included in within occupancy expense, as part of cost of sales, and within SG&A expense on the Consolidated Statement of Operations. The Company recognized depreciation expense of \$18.2 million, \$21.6 million, and \$26.7 million for the years ended December 31, 2023, 2022, and 2021, respectively.

In May 2021, the Company reached an agreement for the sale of its corporate headquarters building, located in Pittsburgh, PA for a purchase price of \$9.5 million. The building sale was finalized on September 30, 2021, whereby GNC received the purchase price less various closing costs for a net proceeds of \$8.9 million. An immaterial loss on sale was recognized within Other loss, net on the Consolidated Statements of Operations during the year ended December 31, 2021.

**NOTE 87. LONG-TERM DEBT / INTEREST EXPENSE**

Long-term debt consisted of the following:

|                          | <u>December 31, <del>2022</del>2023</u> | <u>December 31, <del>2021</del>2022</u> |
|--------------------------|---|---|
|                          | (in thousands)                          |   |
| Initial Term Loan        | \$                                      | \$                                      |
| Second Lien Term Loan    | 157,312 <del>1</del>                    | 151,942 <del>1</del>                    |
| Debt issuance costs      | (11,070)                                | (19,246 <del>1</del> )                  |
| <b>Total debt</b>        | <u>\$</u>                               | <u>\$</u>                               |
| Less: current maturities | <u>(35,930<del>8</del>)</u>             | <u>(10,944<del>3</del>)</u>             |
| <b>Long-term debt</b>    | <u>\$</u>                               | <u>\$</u>                               |

**GNC HOLDINGS, LLC AND SUBSIDIARIES**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)**

At December-31, ~~2022~~2023, the Company's future annual contractual obligations on long-term debt are detailed below:

|              | Initial Term<br>Loan | Second Lien<br>Term Loan | Total     |
|--------------|----------------------|--------------------------|-----------|
|              | (in thousands)       |                          |           |
| 2023         | \$ 35,930            | \$ —                     | \$ 35,930 |
| 2024         | 97,010               | \$ —                     | 97,010    |
| 2025         | 161,684              | —                        | 161,684   |
| 2026         | —                    | 157,312                  | 157,312   |
| <b>Total</b> | \$                   | \$                       | \$        |

~~Initial Term Loan~~

~~On September 29, 2020, the Company entered into a five-year agreement ("Facilities Agreement") with the Bank of China ("the Lender"), whereby the Lender made available a term loan facility of \$400 million ("1L Term Loan").~~ Initial Term Loan

On September 29, 2020, the Company entered into a five-year agreement ("Facilities Agreement") with the Bank of China ("the Lender"), whereby the Lender made available a term loan facility of \$400 million ("1L Term Loan"). The 1L Term Loan was utilized on October 7, 2020 as part of the cash consideration. Company is required to repay amounts borrowed in semi-annual installments beginning 12 months following the date of agreement over the Acquisition five-year term of the loan. The interest was payable at a rate of 4.25% per annum plus LIBOR. In accordance with an amendment to the Facilities Agreement in January 2022, the Company received an interest rate reduction for the first half six months of 2022. Effective January 1, 2022 through June 30, 2022, interest related to the 1L Term Loan was payable at a rate of 2.75% plus LIBOR, and reverted back to 4.25% plus LIBOR at the start of the third quarter of 2022. The total interest rate for the years ended December 31, 2022 and 2021 was 5.21% and 4.39%, respectively, and 4.47% for the period from August 17, 2020 (inception) through December 31, 2020. Effective January 1, 2022 through June 30, 2022, interest related to the 1L Term Loan was payable at a rate of 2.75% plus LIBOR, and reverted back to 4.25% plus LIBOR at the start of the third quarter of 2022. Additionally, pursuant to the terms of the agreement, if the Company refinances the 1L Term Loan with a lender in full after June 30, 2022 and such refinancing is not arranged with the Bank of China, GNC is required to pay a transaction fee of \$1.0 million on the date the refinancing occurs. The transaction fee has been/was accrued within deferred revenue and other current liabilities on the Consolidated Balance Sheet as of December 31, 2022. As Sheets as of December-31, 2023 and December 31, 2022. In December 2022, the Federal Reserve Board adopted a rule implementing the Adjustable Interest Rate Act, which identified benchmark rates based on the secured overnight financing rate (SOFR) as a replacement for LIBOR in contracts ("2022 LIBOR Act). In accordance with the 2022 LIBOR Act, ICE Benchmark Administration, the administrator of LIBOR, ceased the publication of all LIBOR settings no later than June 30, 2023. As such, on June 9, 2023, the Company and Bank of China amended the Facilities Agreement such that Term SOFR would be the principal benchmark replacing LIBOR in the calculation of 1L Term Loan interest, which commenced in the third quarter of 2023. The total interest rate on the 1L Term Loan for the years ended December 31, 2023, 2022, and 2021 was 9.28%, 5.21%, and 4.39%, respectively. As of December 31, 2022/2023, the Company selected a one-month interest period.

In connection with the issuance of the 1L Term Loan, the Company capitalized debt issuance costs of \$28.8 million which are being amortized using the effective interest method over the term of the loan. The debt issuance costs include a guarantee fee of \$8.0 million in consideration for the guarantee rendered by the Parent, together with Jack's/Jacks Management and ZT, as guarantors ("Guarantee Fee-");. The Guarantee Fee is adjusted on a pro rata basis based on prepayments of the outstanding debt, and is payable to ZT at the election of GNC over the term of the loan. The Guarantee Fee is classified in accounts payable due to related parties and long-term payable due to related parties on the Consolidated Balance Sheets as of December 31, 2022 and 2021. During the year ended December 31, 2022, the Company wrote off \$0.5 million of the Guarantee

## GNC HOLDINGS, LLC AND SUBSIDIARIES

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

~~Fee payable that was no longer required to be paid with a corresponding reduction to capitalized debt issuance costs within long term debt. During the year ended December 31, 2021, the Company wrote off \$0.7 million of the Guarantee Fee payable that was no longer required to be paid with a corresponding reduction to capitalized debt issuance costs within long term debt. In addition, as a result of prepayments made on the 1L Term Loan during 2022 and 2021, as further detailed below, the Company wrote off \$1.8 million and \$3.5 million, respectively, in debt issuance costs on a pro rata basis, recognized within interest expense on the Company's Consolidated Statements of Operations.~~

~~In accordance with the Facilities Agreement, the Company is required to repay amounts borrowed in semi annual installments beginning 12 months following the date of agreement over the five year term of the loan. In the second quarter of 2021, the Company made a prepayment on the 1L Term Loan in a principal amount of \$40.2 million in accordance with the Facilities Agreement amendment issued in May 2021, as further discussed below. This prepayment was a reduction to long term debt on the Consolidated Balance Sheet.~~

~~In the third quarter of 2021, the Company closed on the sale of its corporate headquarters building as discussed in Note 7, "Property, Plant and Equipment." Pursuant to the terms of the Facilities Agreement, GNC utilized the net proceeds from the sale towards prepayment on the 1L Term Loan in the principal amount of \$8.9 million. In the third quarter of 2022, the Company voluntarily prepaid a \$6.8 million amortization payment due in October 2022 and \$10.0 million of the \$28.7 million amortization payment due in April 2023. In the fourth quarter of 2022, the Company voluntarily prepaid the remaining \$18.7 million amortization payment due in April 2023. As of December 31, 2022, the Company classified the \$35.9 million amortization payment due in October 2023 as current on the Consolidated Balance Sheet.~~

The 1L Term Loan includes financial covenants relating to (i) a Guarantee EBITDA Coverage Ratio and (ii) a Guarantee Asset Coverage Ratio. Under this agreement, the Guarantee EBITDA Coverage Ratio stipulates that the aggregate of earnings before interest, tax, depreciation, and amortization of each Guarantor (GNC and Parent) individually cannot be less than 90 percent of adjusted EBITDA of the consolidated Group (GNC, Parent, and each of their subsidiaries, collectively). The Guarantee Asset Coverage Ratio stipulates that the aggregate total assets of each Guarantor individually cannot be less than 90 percent of the consolidated total assets of the Group. If we fail to satisfy either Guarantee Coverage Ratio, we are required to procure additional Group Members to the extent that the ratio is restored within 90 days. The Company was in compliance with all financial covenants under the 1L Term Loan as of December ~~31, 2023 and December~~ 31, 2022 ~~and 2021~~.

**GNC HOLDINGS, LLC AND SUBSIDIARIES**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)**

*Second Lien Term Loan Credit Agreement*

## GNC HOLDINGS, LLC AND SUBSIDIARIES

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

In ~~connection with the Acquisition on~~ October 7, 2020, the Company entered into a six-year \$184.3 million second lien term loan ("2L Term Loan"), under which GLAS Trust Company LLC ("GLAS") serves as the Administrative Agent between the Company and various lenders. Under this agreement, the Company is required to pay cash fees equal to 1.5% of the outstanding principal amount of Loans ~~semi-annually~~. In addition, the ~~loan~~ 2L Term Loan bears interest at the applicable margin of 6.00% plus LIBOR. As a result of the 2022 LIBOR Act, the Company and GLAS amended the Second Lien Term Loan Credit Agreement on June 22, 2023. Under the amendment, Term SOFR Rate plus 0.10% replaced LIBOR in the calculation of the 2L Term Loan interest in the last interest period of the second quarter of 2023. The total interest rate on the 2L Term Loan for the years ended December 31, 2023, 2022, and 2021 was 11.11%, 7.75%, and 6.10%, respectively, ~~and 6.23% for the period from August 17, 2020 (inception) through~~. As of December 31, 2020. As of December 31, 2022, 2023, the Company selected a one-month interest period. All interest due and unpaid on December 31st of each year is paid in kind by ratably increasing the principal amount of the 2L Term Loan. For the years ended December 31, 2022 and 2021, paid in kind interest on the 2L Term Loan was \$11.6 million and \$9.4 million, respectively.

In connection with the issuance of the 2L Term Loan, the Company capitalized debt issuance costs in the amount of \$3.3 million which are being amortized using the effective interest method over the term of the loan. ~~As a result of payments made on the 2L Term Loan during 2022 and 2021, as further detailed below, the Company wrote off \$0.1 million and \$0.8 million, respectively, in debt issuance costs on a pro-rata basis, recognized within interest expense on the Company's Consolidated Statements of Operations.~~

~~Effective with the Acquisition, as further discussed in Note 3, "Acquisition," and in accordance with the terms of the Stalking Horse Agreement and Chapter 11 Debtors' confirmed plan of reorganization, certain amounts were deposited into escrow for the benefit of the Debtors' estate to satisfy their obligations. During the year ended December 31, 2021, \$11.8 million excess funds in the Debtors' escrow account was remitted directly to pay down the Company's 2L Term Loan notes in accordance with the terms of the Stalking Horse Agreement, of which \$0.8 million was paid to ZT as holders of the 2L Term Loan notes. The payments were recognized as a reduction to long term debt with a corresponding reduction to goodwill on the Consolidated Balance Sheet, as remittance occurred within the Acquisition measurement period. During the year ended December 31, 2022, \$1.6 million excess funds in the Debtors' escrow account was remitted directly to pay down the Company's 2L Term Loan notes. The payment was recognized as a reduction to long term debt on the Consolidated Balance Sheet and recorded to other income on the Consolidated Statement of Operations.~~

In the second quarter of ~~In~~ May 2021, the Company reached an agreement with the Bank of China to amend the Facilities Agreement, whereby the Company is permitted, utilizing ZT as an intermediary, to purchase outstanding 2L Term Loan notes on the open market, provided that (i) these purchases are made at a discount and (ii) the Company prepays the Initial Term Facility loan in a principal amount of at least 150% of any such purchases. In addition, the Company may elect to apply any voluntary prepayment made towards the next excess cash flow mandatory prepayment. The agreement with the Bank of China also amended certain other non-financial covenants within the Facilities Agreement.

~~2021, the Company reached an agreement with the Bank of China to amend the Facilities Agreement, whereby the Company is permitted, utilizing ZT as an intermediary, to purchase outstanding 2L Term Loan notes on the open market, provided that (i) these purchases are made at a discount and (ii) the Company prepays the Initial Term Facility loan in a principal amount of at least 150% of any such purchases. In addition, the Company may elect to apply any voluntary prepayment made towards the next excess cash flow mandatory prepayment. The agreement with the Bank of China also amended certain other non-financial covenants within the Facilities Agreement. In May 2021, through ZT, the Company purchased \$29.3 million of the 2L Term Loan notes at a discount utilizing cash of \$26.8 million. As a result, the Company recognized a gain of \$2.5 million within interest expense, net on the Consolidated Statements of Operations.~~

## GNC HOLDINGS, LLC AND SUBSIDIARIES

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

The 2L Term Loan agreement includes financial covenants relating to (i) a maximum Leverage Ratio, (ii) a Guarantee EBITDA Coverage Ratio, and (iii) a Guarantee Asset Coverage Ratio. Leverage as of the last day of any fiscal quarter, beginning with the quarter ended September 30, 2021, cannot be less than or equal to 1.50 to 1.00. The Guarantee EBITDA Coverage Ratio stipulates that the aggregate of earnings before interest, tax, depreciation, and amortization of each Guarantor (GNC and Parent) individually cannot be less than 90 percent of adjusted EBITDA of the consolidated Group (GNC, Parent, and each of their subsidiaries, collectively). The Guarantee Asset Coverage Ratio stipulates that the aggregate total assets of each Guarantor individually cannot be less than 90 percent of the consolidated total assets of the Group. If the Company fails to satisfy either Guarantee Coverage Ratio, we are required to procure additional Group Members to the extent that the ratio is restored within 90 days. The Company was in compliance with all financial covenants under the 2L Term Loan as of December [31, 2023 and December 31, 2022](#) ~~and 2021~~.

#### *Assets Pledged as Security for Borrowings*

The Company has pledged substantially all of its assets (with the exception of certain excluded assets) as security for obligations due under the 1L Term Loan and 2L Term Loan, upon the terms and subject to the conditions set forth in the First Lien Guarantee and Collateral Agreement and Second Lien Guarantee and Collateral Agreement, respectively, each dated October 7, 2020.

#### *Guarantee and Security for Borrowings*

All obligations under the 1L Term Loan are unconditionally and irrevocably, jointly and severally, guaranteed by Parent, together with Jack's Management and ZT, pursuant to the terms of the Facilities Agreement and the First Lien Guarantee and Collateral Agreement dated October 7, 2020. The 1L Term Loan guarantee is secured by a pledge of the Parent's shares of Listco, by way of a first priority pledge, to Bank of China. The guarantee and pledge remain in effect until all 1L Term Loan obligations are satisfied.

## GNC HOLDINGS, LLC AND SUBSIDIARIES

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

#### Debtor's tax refund proceeds and estate escrow

In accordance with the terms of the Stalking Horse Agreement, the plan administrator of the Debtors has a requirement to remit the U.S federal and state tax refund proceeds from final tax return filings of the Debtors for the 2020 taxable year ("2020 Tax Refund Proceeds") to the Company. The Company shall utilize the 2020 Tax Refund Proceeds for prepayment of the 2L Term Loan. As such, in 2021 the Company recognized an estimated \$16.8 million asset for the 2020 Tax Refund Proceeds in connection with the Acquisition, recorded within other long-term assets, the full amount of which was received in 2023.

In connection with the Debtor's Chapter 11 proceedings, certain funds were placed in segregated escrow accounts held by the Debtors for purposes of paying and discharging certain claims and specified liabilities to the extent they are not settled by the Company, as well as to support the wind down of any remaining business of the Debtor entities. Any remaining funds in escrow after the claims and specified liabilities are discharged, the plan administrator is required to either remit the funds to the Company or to the 2L Term Loan agent on behalf of the Company to pay towards the 2L Term Loan. Among the funds placed in a segregated escrow account held by the Debtors for satisfying certain tax related liabilities and claims included approximate \$7 million tax refund proceeds from the overpayment of estimated U.S federal income taxes from the 2019 taxable year ("2019 Tax Refund Proceeds"). To the extent there are excess funds from the 2019 Tax Refund Proceeds or other escrow accounts, the Company could realize a material gain in future periods.

#### IVC Proceeds

The Company had an equity investment with International Vitamin Corporation ("IVC") for a strategic manufacturing joint venture ("Manufacturing JV"). See Note 8. "Equity Investments" for additional information on the Manufacturing JV. In accordance with the terms of the Facilities Agreement, proceeds received by the Company from IVC for the purchase of additional interest in the Manufacturing JV or other distributions from the Manufacturing JV ("IVC Proceeds") are required to be applied as mandatory prepayments towards the 1L Term Loan and 2L Term Loan on a pro rata basis.

#### Excess Cash Flow

The Company is required to make certain mandatory prepayments, including a requirement to prepay the 1L Term Loan first and the 2L Term Loan second, in each case annually with amounts based on excess cash flow, as defined in the Company's 1L Term Loan agreement as being greater than or equal to \$50 million as of December 31 each year the agreement is in effect. The payment will be 60% of excess cash flow, less any taxes paid or reasonably estimated, toward the 1L Term Loan. Any amount in excess of \$50 million thereafter is subject to prepayment of 15% toward the 2L Term Loan, provided that the net senior leverage ratio is less than or equal to 2.00 to 1.00. Based on the Company's results for the ~~period ended December 31, 2020, the Company was required to make an excess cash flow payment of \$10.0 million, which was settled as part of the \$40.2 million prepayment of the 1L Term Loan in the second quarter of 2021. Based on the Company's results for the period year~~ ended December 31, 2021, the Company was required to make an excess cash flow payment of \$3.6 million ~~during 2022, of which \$2.9 million was applied to the 1L Term Loan and \$0.7 million was applied to the 2L Term Loan.~~ Based on the Company's results for the period ended December 31, 2022, the Company was not required to make an excess cash flow payment during 2023. Based on the Company's results for the year ended December 31, 2023, the Company is required to make an excess cash flow payment of \$0.6 million towards the 1L Term Loan. The \$0.6 million excess cash flow payment is classified as current on the Company's Consolidated Balance Sheet as of December 31, 2023.

**GNC HOLDINGS, LLC AND SUBSIDIARIES**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)**

Debt Payments

The Company's debt payments on the 1L Term Loan and 2L Term Loan consisted of the following:

|  | <u>Year ended December 31,</u> |                     |                     |                     |                     |                     |
|--|--------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
|  | <u>2023</u>                    |                     | <u>2022</u>         |                     | <u>2021</u>         |                     |
|  | <u>1L Term Loan</u>            | <u>2L Term Loan</u> | <u>1L Term Loan</u> | <u>2L Term Loan</u> | <u>1L Term Loan</u> | <u>2L Term Loan</u> |
| Amortization   | \$ (39,773)                    | \$ —                | \$ (35,594)         | \$ —                | \$ (30,157)         | \$ —                |
| Tax refund proceeds and excess funds from Debtors' Estate escrow | —                              | (18,704)            | —                   | —                   | —                   | —                   |
| IVC proceeds <sup>(1)</sup>                                      | (9,486)                        | (4,813)             | (8,639)             | (3,840)             | (9,141)             | (4,276)             |
| Excess cash flow   | —                              | —                   | (2,912)             | (728)               | (10,031)            | —                   |
| Repurchase of 2L Term Loan <sup>(2)</sup>                        | —                              | —                   | —                   | —                   | —                   | (25,983)            |
| Net proceeds from sale of property                               | —                              | —                   | —                   | —                   | (8,902)             | —                   |
| <b>Total cash debt payments</b>                                  | <b>\$ (49,259)</b>             | <b>\$ (23,517)</b>  | <b>\$ (47,145)</b>  | <b>\$ (4,568)</b>   | <b>\$ (58,231)</b>  | <b>\$ (30,259)</b>  |

(1) In 2023, the IVC Proceeds of \$13.9 million allocated to the 1L and 2L Term Loans on a pro rata basis included a dividend distribution of \$1.5 million from the Manufacturing JV as well as IVC's fourth and final subsequent purchase of the Company's equity interest in the Manufacturing JV of \$12.4 million. An adjustment of \$0.4 million was applied to the purchase price prior to its completion. However, prior to the \$0.4 million purchase price adjustment, the Company allocated \$14.3 million of IVC Proceeds towards debt reduction of the 1L and 2L Term Loans, respectively. The Company did not modify the debt payments for the IVC Proceeds purchase price adjustment.

(2) In 2021, the Company recognized a gain of \$2.5 million within interest expense, net on the Consolidated Statements of Operations related to the repurchase of 2L Term Loan notes at a discount.

Supplemental cash flow information related to long-term debt was as follows:

|   | <u>Year ended December 31,</u> |             |             |
|---|--------------------------------|-------------|-------------|
|   | <u>2023</u>                    | <u>2022</u> | <u>2021</u> |
|   | <u>(in thousands)</u>          |             |             |
| <b>Non-cash financing activities</b>                    |                                |             |             |
| Excess funds from Debtors' Estate escrow <sup>(1)</sup> | (689)                          | (1,600)     | (11,754)    |
| Second Lien Term Loan paid-in-kind interest             | 15,782                         | 11,561      | 9,361       |

(1) Certain funds released from the Debtors' Estate escrow account were remitted directly to GLAS for payment toward the 2L Term Loan, resulting in a reduction to long-term debt.

IVC Proceeds

**GNC HOLDINGS, LLC AND SUBSIDIARIES**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)**

The proceeds received by the Company from International Vitamin Corporation's ("IVC") subsequent purchase of additional interest in the Manufacturing JV ("IVC Proceeds"), as further discussed in Note 9. "Equity Investments," are required to be applied as mandatory prepayments on debt in accordance with the terms of the Facilities Agreement, allocated to the 1L Term Loan and 2L Term Loan on a pro rata basis. In February 2021, the Company received IVC Proceeds of \$13.4 million for the second subsequent purchase which was utilized to pay down a \$9.1 million of the 1L Term Loan and \$4.3 million of the 2L Term Loan during the second quarter of 2021. In February 2022, the Company received IVC Proceeds of \$12.5 million for the third subsequent purchase which was utilized to pay down \$8.6 million of the 1L Term Loan and \$3.9 million of the 2L Term Loan during the first quarter of 2022.

*Interest Expense*

Interest expense consisted of the following:

|                                  | Year ended<br>2023   | Year ended<br>2022   | Period from<br>2021  |
|----------------------------------|----------------------|----------------------|----------------------|
| (in thousands)                   |                      |                      |                      |
| <b>Interest expense</b>          |                      |                      |                      |
| 1L Term Loan                     | \$ 17,757,327        | \$ 13,835,791        | \$ 5,711,111         |
| 2L Term Loan                     | 15,969,808           | 13,835,791           | 5,711,111            |
| Amortization of deferred         | 7,659,493            | 10,400               | 1,111                |
| <b>Total interest expense</b>    | <b>41,385,628</b>    | <b>40,791,772</b>    | <b>11,533,933</b>    |
| Gain on repurchase of 2L Term    | —                    | (6,000)              | —                    |
| Other interest (income) expense, | (85,711)             | 32,000               | —                    |
| <b>Interest expense, net</b>     | <b>\$ 41,300,917</b> | <b>\$ 40,755,772</b> | <b>\$ 11,533,933</b> |

**NOTE 98. EQUITY INVESTMENTS**

The following discusses the Company's equity investments accounted for under the equity method and non-marketable equity investments without a readily determinable fair value.

*Equity Method Investments*

The following table provides a reconciliation of equity method investments on the Company's Consolidated Balance Sheets:

|  | December 31, 2022    | December 31, 2021    |
|--|----------------------|----------------------|
| (in thousands)   |                      |                      |
| Company has a 35% ownership in two joint ventures, the | (in thousands)       |                      |
| <del>HK JV and China JV</del>                          | <del>\$ 25,200</del> | <del>\$ 25,200</del> |
| Impairment of HK JV and China JV                       | (16,806)             | —                    |
| Manufacturing JV <sup>(1)</sup>                        | —                    | 23,283               |
| Accumulated loss from equity method investments        | (4,786)              | (6,194)              |
| Foreign currency                                       | (172)                | (151)                |
| <b>Total equity method investments</b>                 | <b>\$ 3,436</b>      | <b>\$ 42,138</b>     |

(1) Effective with the third subsequent purchase of equity interest in the Manufacturing JV by IVC in February 2022, GNC's investment in the joint venture was reduced to 10.7% and the Company discontinued accruing its share of the Manufacturing JV's earnings or losses under the equity method. The Company's remaining interest in the Manufacturing JV of \$6.6 million, including any previously recognized earnings and losses ("HK JV") and China joint venture ("China JV"), which are accounted for under the equity method, were

## GNC HOLDINGS, LLC AND SUBSIDIARIES

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

~~recorded within Other Long Term Assets on the Consolidated Balance Sheet as of December 31, 2022 as a non-marketable equity investment.~~

~~As of December 31, 2022 and 2021, the Company had a 35% ownership in two joint ventures, the HK JV and China JV. The HK JV includes the operation of the cross-border China e-commerce business, and has an exclusive right to use the Company's trademarks to manufacture and distribute the Company's products in China (excluding Hong Kong, Taiwan and Macau) via e-commerce channels. The China JV is a retail-focused joint venture to operate GNC's brick-and-mortar retail business in China with an exclusive right to use the Company's trademarks to manufacture and distribute the Company's products in China (excluding Hong Kong, Taiwan and Macau) via retail stores and pharmacies.~~

~~The following table provides a reconciliation of equity method investments:~~

| <del>-</del>  | <del>December 31, 2023</del> | <del>December 31, 2022</del> |
|---|------------------------------|------------------------------|
|   | <del>(in thousands)</del>    |                              |
| <del>HK JV and China JV</del>   | <del>\$ 25,200</del>         | <del>\$ 25,200</del>         |
| <del>Accumulated impairment of HK JV and China JV<sup>(1)</sup></del> | <del>(16,806)</del>          | <del>(16,806)</del>          |
| <del>Accumulated loss from equity method investments</del>            | <del>(4,080)</del>           | <del>(4,786)</del>           |
| <del>Foreign currency</del>   | <del>(162)</del>             | <del>(172)</del>             |
| <del><b>Total equity method investments</b></del>                     | <del><b>\$ 4,152</b></del>   | <del><b>\$ 3,436</b></del>   |

~~(1) As a result of the \$4.8 million cumulative loss/historical losses on the Company's investment through December 31, 2022 and a decline in the financial projections for the HK JV and China JV, management concluded a triggering event occurred in the fourth quarter of 2022 requiring an impairment test of its equity method investment. The Company estimated the fair value of its investment in the HK JV and China JV using a discounted cash flow method (income approach). Based on the results of the impairment test, the Company recorded a \$16.8 million other-than-temporary impairment loss in the fourth quarter of 2022, recognized within loss from equity method investments on the Consolidated Statement of Operations.~~

~~As of December 31, 2021, the Company had a 21% ownership in a strategic manufacturing joint venture with IVC ("Manufacturing JV"). The Manufacturing JV is responsible for manufacturing products at the Nutra manufacturing facility in Greenville, South Carolina which are purchased and sold by the Company. Under the terms of the agreement, IVC has the ability to purchase an additional 10.7% interest in the joint venture each year through March 2023. Per the agreement, the subsequent purchase price for each year is \$18.8 million, adjusted up or down based on the Manufacturing JV's performance. In February 2022, the Company received IVC's third subsequent purchase price of \$12.5 million for an additional 10.7% equity interest in the Manufacturing JV, decreasing the Company's ownership of the Manufacturing JV from 21% to 11%. As such, pursuant to ASC 323 "Investments—Equity Method and Joint Ventures," upon receipt of the third subsequent purchase price GNC no longer held significant influence over the Manufacturing JV and therefore discontinued accruing its share of the Manufacturing JV's earnings or losses under the equity method. In the first quarter of 2022, the Company began accounting for its remaining interest in the Manufacturing JV as a non-marketable equity investment, recorded within Other Long Term Assets on the Consolidated Balance Sheet. The final subsequent purchase price from IVC is scheduled to occur in 2023 for the Company's remaining equity interest in the Manufacturing JV.~~

#### *Non-marketable equity investments*

~~The Company's non-marketable Company has equity investments in privately held companies without a readily determinable fair value, recorded within Other Long Term Assets, are measured as the total ("non-marketable equity investments") which are accounted for at their initial cost plus adjustments for observable price changes or minus impairments as follows. The following table provides a reconciliation of the non-marketable equity investments, recorded to other long-term assets on the Consolidated Balance Sheets:~~

**GNC HOLDINGS, LLC AND SUBSIDIARIES**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)**

|  | <u>December 31, 2022</u> | <u>December 31, 2021</u> |
|--|--------------------------|--------------------------|
|  | <u>December 31, 2023</u> | <u>December 31, 2022</u> |
|  | (in thousands)           |                          |
| Initial cost                                 | \$                       | \$                       |
| Adjustments to carrying value <sup>(1)</sup> | 4,25                     | —                        |
| <b>Non-marketable equity investments</b>     | <b>\$</b>                | <b>\$</b>                |

(1) A \$5.5 million error was identified related ~~Adjustments~~ to a warrant agreement ~~the company entered into~~ carrying value during the fourth quarter of 2021 that was not identified until 2022. Although management has determined it was not material to any periods, the Company has revised its Consolidated Balance Sheet as of December year ended December 31, 2021 to present the correction as an increase 2023 include a \$5.6 million impairment loss, recorded to other long-term (income) loss, net, on the Consolidated Statement of Operations and within other changes in assets and other long-term liabilities on the Consolidated Statement of Cash Flows.

~~For the year ended December 31, 2022, the Company recognized unrealized gains~~ The Company has agreements with non-marketable equity investments which include consideration received in 2021. The instruments were recorded at fair value and recorded in deferred revenue and other current liabilities on the Consolidated Balance Sheets. The terms of the agreements require the Company to defer recognition of the consideration over the life of the agreement. For the year ended December 31, 2023, the Company recognized a benefit of \$4.3 million in the Consolidated Statement of Operations, of which \$1.4 million is recognized within selling, general, and administrative expense and \$2.9 million is recognized within cost of sales. For the year ended December 31, 2022, the Company recognized a benefit of of \$3.3 million in the Consolidated Statement of Operations, of which \$1.2 million is recognized within selling, general, and administrative expense and \$2.1 million recognized within cost of sales. For the year ended December 31, 2021, the Company recognized ~~unrealized gains~~ a benefit of of \$2.1 million in the Consolidated Statements of Operations, of which \$1.7 million was recognized in other income, net and \$0.4 million recognized within selling, general and administrative expense. ~~The Company did not have non-marketable equity method investments as of December 31, 2020 and for the period from August 17, 2020 (inception) through December 31, 2020.~~

As of December 31, 2022, the Company had a 10.7% ownership in the Manufacturing JV with IVC accounted for as a non-marketable equity investment. The Manufacturing JV is responsible for manufacturing products at the Nutra manufacturing facility in Greenville, South Carolina which are purchased and sold by the Company.

**GNC HOLDINGS, LLC AND SUBSIDIARIES**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)**

During the year ended December 31, 2023, the Company sold its remaining 10.7% interest in the Manufacturing JV to IVC for \$12.4 million, resulting in a \$5.7 million gain on the sale of the equity investment recognized within other (income) loss, net, on the Consolidated Statement of Operations and within other changes in assets and liabilities on the Consolidated Statement of Cash Flows.

**NOTE 109. DEFERRED REVENUE AND OTHER CURRENT LIABILITIES**

Deferred revenue and other current liabilities consisted of the following:

|   | <u>December 31,</u> | <u>December 31,</u> |
|---|---------------------|---------------------|
|   | (in thousands)      |                     |
| Deferred revenue  | \$                  | \$                  |
| Accrued compensation and related benefits                   | 16,131              | 38,541              |
| Accrued interest  | 2,219               | 2,298               |
| Other current liabilities                                   | 14,696              | 22,451              |
| <b>Total deferred revenue and other current liabilities</b> | <b>\$</b>           | <b>\$</b>           |

**NOTE 110. LEASES**

—The Company has operating leases for retail stores, distribution centers, other leased office locations, vehicles and certain equipment with remaining lease terms of one to ~~15~~ 14 years, some of which include options to extend the leases for up to 15 years. The weighted average remaining lease term was ~~6.3 and 3.25~~ 9 years and 6.3 years for the years ended December 31, ~~2022~~ 2023 and ~~2021~~ 2022, respectively. The weighted average discount rate was ~~5.7~~ 2% and ~~5.5~~ 7% for the years ended December 31, ~~2022~~ 2023 and ~~2021~~ 2022, respectively. On the Company's Consolidated Balance Sheets as of December 31, ~~2022~~ 2023 and ~~2021~~ 2022, respectively, the Company had lease liabilities of ~~\$162.9 million and \$147.0 million~~ and \$70.4 million, of which ~~\$42.6 and \$284.4 million~~ and \$42.6 million are classified as current, and right-of-use assets of ~~\$153.4 million and \$142.4 million~~ and \$73.7 million.

The components of the Company's lease costs, which are recorded within cost of sales on the Consolidated Statement of Operations, were as follows:

|                     | <u>Year ended</u> | <u>December 31, 2022</u> | <u>Year ended</u> | <u>The period from</u> |
|---------------------|-------------------|--------------------------|-------------------|------------------------|
|                     | <u>2023</u>       |                          | <u>2022</u>       | <u>2021</u>            |
|                     | (in thousands)    |                          |                   |                        |
| Operating           | \$                |                          | \$                | \$                     |
| Variable lease      |                   |                          |                   |                        |
| <b>Total lease</b>  |                   |                          |                   |                        |
| Sublease            |                   |                          |                   |                        |
| <b>Lease costs,</b> | <b>\$</b>         |                          | <b>\$</b>         | <b>\$</b>              |

(1) Sublease income, related to sublease with its franchisees, includes only the portion of income directly related to lease components and is recorded within revenue on the Consolidated Statement of Operations. Total sublease income, which includes rental income as well as other occupancy related items was ~~\$1.4 million, \$1.9 million, and \$2.3 million~~ in the years ended December 31, ~~2023, 2022, and 2021, respectively,~~ and \$2.4 million in the period from August 17, 2020 (inception) through December 31, 2020.

**GNC HOLDINGS, INC. AND SUBSIDIARIES**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)**

The Company has elected to apply the short-term lease exemption for all asset classes and excluded them from the Consolidated Balance Sheets. Lease payments for short-term leases are recognized on a straight-line basis over the lease term. The short-term lease expense recognized during the years ended December 31, 2023, 2022 and 2021 is \$6.0 million, \$6.8 million, and \$5.5 million, respectively, ~~and \$2.8 million for the period from August 17 (inception) through December 31, 2020~~, and is included in the operating lease cost table.

Supplemental cash flow information related to leases was as follows:

|  | <u>Year ended</u><br><u>2023</u> | <u>December 31,</u><br><u>2022</u> | <u>Year ended</u><br><u>2022</u> | <u>The period</u><br><u>2021</u> |
|--|----------------------------------|------------------------------------|----------------------------------|----------------------------------|
| (in thousands)   |                                  |                                    |                                  |                                  |
| Operating cash flow information:   |                                  |                                    |                                  |                                  |
| Cash paid for amounts included in the measurement of operating lease liabilities | \$                               |                                    | \$                               | \$                               |
| Right-of-use assets obtained in exchange for operating lease liabilities         | 14,239                           | 62,116                             | 20,820                           | 114,239                          |

Maturities of the lease liabilities (undiscounted lease payments, as defined in Note 2. "Basis of Presentation") as of December 31, 20222023 were as follows:

|   | <u>Operating Leases for Company-Owned and Franchise Stores</u> | <u>Operating Leases for Other<sup>(1)</sup></u> | <u>Total Operating Leases</u> | <u>Sublease Income from Franchisees</u> | <u>Rent on Operating Leases, net of Sublease Revenue</u> |
|---|--|---|-------------------------------|---|--|
| (in thousands)                            |  |   |                               |   |  |
| <u>2023</u> <u>2024</u>                   | 42,906   | \$  | 49,647                        | (472)                                   | 49,175   |
| <u>2024</u> <u>2025</u>                   | 26,683   | 6,156   | 32,839                        | (188)                                   | 32,651   |
| <u>2025</u> <u>2026</u>                   | 16,005   | 5,810   | 21,815                        | (97)                                    | 21,718   |
| <u>2026</u> <u>2027</u>                   | 11,719   | 5,061   | 16,780                        | (98)                                    | 16,682   |
| <u>2027</u> <u>2028</u>                   | 6,058  | 4,586   | 10,644                        | (81)                                    | 10,563   |
| Thereafter                                | 5,296  | 36,748  | 42,044                        | (105)                                   | 41,939   |
| <b>Total future obligations</b>           | \$   | \$  | \$                            | \$                                      | \$   |
| <b>Less amounts representing interest</b> |  |   | (26,729)                      |   |  |
| <b>Present value of lease obligations</b> |  |   | \$                            |   |  |

(1) Includes various leases for vehicles, distribution centers, office space and The Health Store lease portfolio.

As of December 31, 20222023, leases that the Company has entered into but have not yet commenced (undiscounted lease payments) are \$19.7.6 million.

**GNC HOLDINGS, INC. AND SUBSIDIARIES**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)**

## GNC HOLDINGS, LLC AND SUBSIDIARIES

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

#### NOTE 1211. COMMITMENTS AND CONTINGENCIES

The Company is engaged in various legal actions, claims and proceedings arising in the normal course of business, including claims related to breach of contracts, product liability matters, intellectual property matters and employment-related matters resulting from the Company's business activities.

The Company's contingencies are subject to substantial uncertainties, including for each such contingency the following, among other factors: (i) the procedural status of the case; (ii) whether the case has or may be certified as a class action suit; (iii) the outcome of preliminary motions; (iv) the impact of discovery; (v) whether there are significant factual issues to be determined or resolved; (vi) whether the proceedings involve a large number of parties and/or parties and claims in multiple jurisdictions or jurisdictions in which the relevant laws are complex or unclear; (vii) the extent of potential damages, which are often unspecified or indeterminate; and (viii) the status of settlement discussions, if any, and the settlement posture of the parties. Consequently, except as otherwise noted below with regard to a particular matter, the Company cannot predict with any reasonable certainty the timing or outcome of the legal matters described below, and the Company is unable to estimate a possible loss or range of loss for such matters. If the Company ultimately is required to make any payments in connection with an adverse outcome in any of the matters discussed below, it is possible that it could have a material adverse effect on the Company's business, financial condition, results of operations or cash flows.

As a retailer of nutritional supplements and other consumer products that are ingested by consumers or applied to their bodies, the Company has been subjected to various product liability claims. Although the effects of these claims to date have not been material to the Company, it is possible that product liability claims could have a material adverse effect on its business or financial condition, results of operations or cash flows. The Company currently maintains product liability insurance with a deductible/retention of \$4.0 million per claim with an aggregate cap on retained loss of \$10.0 million per policy year. The Company typically seeks and has obtained contractual indemnification from most parties that supply its products or that manufacture or market products it sells. The Company also typically seeks to be added, and has been added, as an additional insured under most of such parties' insurance policies. However, any such indemnification or insurance is limited by its terms and any such indemnification, as a practical matter, is limited to the creditworthiness of the indemnifying party and its insurer, and the absence of significant defenses by the insurers. Consequently, the Company may incur material product liability claims, which could increase its costs and adversely affect its reputation, revenue and operating income.

#### Environmental Compliance

The Company is subject to numerous federal, state, local and foreign environmental and health and safety laws and regulations governing its operations, including the handling, transportation and disposal of non-hazardous and hazardous substances and wastes, as well as emissions and discharges from its operations into the environment, including discharges to air, surface water and groundwater. Failure to comply with such laws and regulations could result in costs for remedial actions, penalties or the imposition of other liabilities. New laws, changes in existing laws or the interpretation thereof, or the development of new facts or changes in their processes could also cause the Company to incur additional capital and operating expenditures to maintain compliance with environmental laws and regulations and environmental permits. The Company is also subject to laws and regulations that impose liability and cleanup responsibility for releases of hazardous substances into the environment without regard to fault or knowledge about the condition or action causing the liability. Under certain of these laws and regulations, such liabilities can be imposed for cleanup of previously owned or operated properties, or for properties to which substances or wastes that were sent in connection with current or former operations at its facilities.

From time to time, the Company has incurred costs and obligations for correcting environmental and health and safety noncompliance matters and for remediation at or relating to certain of the Company's current or former properties or properties at which the Company's waste has been disposed. However, compliance with the provisions of national, state and local

## GNC HOLDINGS, LLC AND SUBSIDIARIES

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

environmental laws and regulations has not had a material effect upon the Company's capital expenditures, earnings, financial position, liquidity or competitive position. The Company believes it has complied with, and is currently complying with, its environmental obligations pursuant to environmental and health and safety laws and regulations and that any liabilities for noncompliance will not have a material adverse effect on its business, financial performance or cash flows. However, it is difficult to predict future liabilities and obligations, which could be material.

#### Commitments

The Company maintains certain commitments with various product, technology, marketing and other vendors to ensure its business operational needs are fulfilled. As of December 31, 2023, such future purchase commitments were approximately \$27 million. All of these commitments are expected to be fulfilled with no adverse consequences to the Company's operations or financial condition.

#### NOTE 12. RELATED PARTY TRANSACTIONS

##### ZT Biopharmaceutical LLC

In connection with the issuance of the 1L Term Loan, as discussed within Note 7. "Long-Term Debt", the Company has an \$8.0 million Guarantee Fee that is payable to ZT as a guarantor of the Facilities Agreement at the election of GNC over the five-year term of the loan, adjusted on a pro rata basis for any prepayments made on the Initial Term Loan. The fee was capitalized to debt as a debt issuance cost. The Company has paid \$1.5 million of the \$8.0 million Guarantee Fee, and written off \$2.0 million of the Guarantee Fee as a result of debt prepayments.

On October 7, 2020, GNC entered into a management agreement with ZT. Under the management agreement, in consideration for the services rendered by ZT, GNC is obligated to pay an annual management fee of up to \$3.0 million for each financial year. Such services provided by ZT include strategic planning, restructuring, corporate finance, mergers and acquisitions, and corporate governance, as well as leverage of its relationships, experience, and goodwill. The Company recognized expense of \$3.0 million within SG&A expense on the Consolidated Statements of Operations for each of the three years ended December 31, 2023, 2022, and 2021.

In addition, the Company provides certain project development and support services on behalf of ZT pursuant to an intercompany project development agreement entered into during 2021. Under the intercompany agreement, ZT agrees to bear and pay the costs incurred by the Company in providing the services. The Company records the costs incurred on behalf of ZT to accounts payable due to related parties on the Consolidated Balance Sheets. The net costs paid by GNC on behalf of ZT during the years ended December 31, 2023, 2022, and 2021 were \$9.0 million, \$5.5 million, and \$11.6 million, respectively.

**GNC HOLDINGS, LLC AND SUBSIDIARIES**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)**

As of December 31, 2023 and 2022, payables due to ZT were as follows:

|   | <b>December 31, 2023</b> | <b>December 31, 2022</b> |
|---|--------------------------|--------------------------|
|   | <b>(in thousands)</b>    |                          |
| <b>Current liabilities:</b>                 |                          |                          |
| Guarantee fee (current)                     | \$ 3,486                 | \$ 2,659                 |
| Management fee                              | 3,000                    | —                        |
| Intercompany project development costs      | 2,339                    | 2,856                    |
| Accounts payable due to related parties     | 8,825                    | 5,515                    |
| <b>Long-term liabilities:</b>               |                          |                          |
| Guarantee fee (long-term)                   | 1,027                    | 2,659                    |
| Long-term payable due to related parties    | 1,027                    | 2,659                    |
| <b>Total payable due to related parties</b> | <b>\$ 9,852</b>          | <b>\$ 8,174</b>          |

Equity Method Investments

As of December 31, 2023 and 2022, the Company had a 35% ownership of each of the HK JV and China JV, which are accounted for under the equity method. The Company recognized revenues generated from transactions with the HK JV and China JV of \$4.2 million, \$14.4 million and \$13.5 million for the years ended December 31, 2023, 2022, and 2021, respectively. The Company had \$17.0 million and \$13.3 million accounts receivable outstanding as of December 31, 2023 and December 31, 2022, respectively.

**NOTE 13. SUBSEQUENT EVENTS**

Management evaluated subsequent events and transactions that occurred after the balance sheet date through May 22, 2024, the date the financial statements were available to be issued.

In March 2024, the Company entered into a loan agreement with Jacks Management for the principal sum of \$20.0 million (“Shareholder Loan”). The Shareholder Loan maturity date is 12 months from the date of the issuance with interest accruing at a rate of Term SOFR plus 4.25%. The Company received the loan on April 19, 2024 and utilized the proceeds to satisfy a portion of the April 2024 amortization payment on the 1L Term Loan facility. As the Shareholder Loan involved the issuance of a new debt security from Jacks with the concurrent satisfaction of the 1L Term Loan amortization payment with the Bank of China, the transaction was accounted for as an extinguishment of the existing debt and issuance of new debt during the second quarter of 2024.

**EXHIBIT N-2**

**Unaudited Financial Statements**

**THESE FINANCIAL STATEMENTS HAVE BEEN PREPARED WITHOUT AN  
AUDIT. PROSPECTIVE FRANCHISEES OR SELLERS OF FRANCHISES  
SHOULD BE ADVISED THAT NO INDEPENDENT CERTIFIED PUBLIC  
ACCOUNTANT HAS AUDITED THESE FIGURES OR EXPRESSED AN  
OPINION WITH REGARD TO THEIR CONTENT OR FORM.**

**GNC Holdings, LLC**

**Consolidated Financial Statements**

**As of and for the three months ended March 31, 2024 (unaudited)**

## GNC HOLDINGS, LLC AND SUBSIDIARIES

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**GNC HOLDINGS, LLC AND SUBSIDIARIES**  
**Consolidated Balance Sheets**  
**(unaudited)**

|   | <b>March 31, 2024</b> | <b>December 31, 2023</b> |
|---|-----------------------|--------------------------|
|   | <b>(in thousands)</b> |                          |
| <b>Current assets:</b>                                  |                       |                          |
| Cash and cash equivalents                               | \$ 53,984             | \$ 51,912                |
| Restricted cash   | 15,698                | 17,915                   |
| Receivables, net  | 52,009                | 51,067                   |
| Receivables due from related parties (Note 10)          | 18,282                | 17,015                   |
| Inventory   | 201,866               | 211,724                  |
| Prepaid and other current assets                        | 27,828                | 24,958                   |
| <b>Total current assets</b>                             | <b>369,667</b>        | <b>374,591</b>           |
| <b>Long-term assets:</b>                                |                       |                          |
| Goodwill  | 104,417               | 104,417                  |
| Brand name  | 97,000                | 97,000                   |
| Other intangible assets, net                            | 85,742                | 87,368                   |
| Property, plant and equipment, net (Note 5)             | 61,776                | 62,919                   |
| Right-of-use assets                                     | 166,290               | 153,443                  |
| Equity method investments (Note 7)                      | 3,211                 | 4,152                    |
| Other long-term assets                                  | 44,294                | 43,428                   |
| <b>Total long-term assets</b>                           | <b>562,730</b>        | <b>552,727</b>           |
| <b>Total assets</b>                                     | <b>\$ 932,397</b>     | <b>\$ 927,318</b>        |
| <b>Current liabilities:</b>                             |                       |                          |
| Accounts payable  | \$ 96,670             | \$ 102,470               |
| Accounts payable due to related parties (Note 10)       | 9,232                 | 8,825                    |
| Current portion of long-term debt (Note 6)              | 89,487                | 89,487                   |
| Current lease liabilities                               | 47,781                | 43,401                   |
| Deferred revenue and other current liabilities (Note 8) | 55,443                | 47,742                   |
| <b>Total current liabilities</b>                        | <b>298,613</b>        | <b>291,925</b>           |
| <b>Long-term liabilities:</b>                           |                       |                          |
| Long-term debt (Note 6)                                 | 300,550               | 299,995                  |
| Lease liabilities                                       | 128,381               | 119,540                  |
| Long-term payable due to related parties (Note 10)      | 1,027                 | 1,027                    |
| Other long-term liabilities                             | 8,337                 | 8,228                    |
| <b>Total long-term liabilities</b>                      | <b>438,295</b>        | <b>428,790</b>           |
| <b>Total liabilities</b>                                | <b>736,908</b>        | <b>720,715</b>           |
| Commitments and contingencies (Note 9)                  |                       |                          |
| <b>Member's equity:</b>                                 |                       |                          |
| Additional paid-in capital                              | 176,856               | 176,626                  |
| Retained earnings                                       | 18,004                | 29,327                   |
| Accumulated other comprehensive income                  | 629                   | 650                      |
| <b>Total member's equity</b>                            | <b>195,489</b>        | <b>206,603</b>           |
| <b>Total liabilities and member's equity</b>            | <b>\$ 932,397</b>     | <b>\$ 927,318</b>        |

—  
The accompanying notes are an integral part of the Consolidated Financial Statements.

**GNC HOLDINGS, LLC AND SUBSIDIARIES**  
**Consolidated Statements of Operations**  
**(unaudited)**

|  | <u>Three months ended March 31,</u> |                 |
|--|-------------------------------------|-----------------|
|  | <u>2024</u>                         | <u>2023</u>     |
|  | <u>(in thousands)</u>               |                 |
| <b>Revenue (Note 3)</b>  | \$ 308,376                          | \$ 375,234      |
| Cost of sales, including warehousing, distribution and occupancy                 | 208,827                             | 249,401         |
| <b>Gross profit</b>  | 99,549                              | 125,833         |
| Selling, general, and administrative   | 101,142                             | 108,225         |
| Other (income) loss, net   | (350)                               | 82              |
| <b>Operating (loss) income</b>   | (1,243)                             | 17,526          |
| Interest expense, net (Note 6)   | 11,977                              | 12,854          |
| <b>(Loss) income before income taxes and loss from equity method investments</b> | (13,220)                            | 4,672           |
| Income tax (benefit) expense (Note 4)  | (2,835)                             | 1,495           |
| <b>Net (loss) income before loss from equity method investments</b>              | (10,385)                            | 3,177           |
| Loss from equity method investments  | (938)                               | (83)            |
| <b>Net (loss) income</b>   | <u>\$ (11,323)</u>                  | <u>\$ 3,094</u> |

The accompanying notes are an integral part of the Consolidated Financial Statements.

**GNC HOLDINGS, LLC AND SUBSIDIARIES**  
**Consolidated Statements of Comprehensive (Loss) Income**  
**(unaudited)**

|   | <b>Three months ended March 31,</b> |                 |
|---|-------------------------------------|-----------------|
|   | <b>2024</b>                         | <b>2023</b>     |
|   | <b>(in thousands)</b>               |                 |
| -   |                                     |                 |
| <b><u>Net (loss) income</u></b>           | <b>\$ (11,323)</b>                  | <b>\$ 3,094</b> |
| Other comprehensive loss:                 |                                     |                 |
| Foreign currency translation loss         | (21)                                | (6)             |
| Other comprehensive loss                  | (21)                                | (6)             |
| <b><u>Comprehensive (loss) income</u></b> | <b>\$ (11,344)</b>                  | <b>\$ 3,088</b> |

The accompanying notes are an integral part of the Consolidated Financial Statements.

**GNC HOLDINGS, LLC AND SUBSIDIARIES**  
**Consolidated Statements of Member's Equity**  
**(unaudited)**

|                                     | <u>Paid-In Capital</u> | <u>Retained Earnings</u> | <u>Accumulated Other<br/>Comprehensive</u> | <u>Total Member's<br/>Equity</u> |
|-------------------------------------|------------------------|--------------------------|--|----------------------------------|
|                                     | (in thousands)         |                          |  |                                  |
| <b>Balance at December 31, 2023</b> | <b>\$ 176,626</b>      | <b>\$ 29,327</b>         | <b>\$ 650</b>                              | <b>\$ 206,603</b>                |
| Stock-based compensation            | 230                    | —                        | —  | 230                              |
| Comprehensive loss                  | —                      | (11,323)                 | (21)                                       | (11,344)                         |
| <b>Balance at March 31, 2024</b>    | <b>\$ 176,856</b>      | <b>\$ 18,004</b>         | <b>\$ 629</b>                              | <b>\$ 195,489</b>                |
| <b>Balance at December 31, 2022</b> | <b>\$ 176,333</b>      | <b>\$ 59,620</b>         | <b>\$ 534</b>                              | <b>\$ 236,487</b>                |
| Stock-based compensation            | 84                     | —                        | —  | 84                               |
| Comprehensive income (loss)         | —                      | 3,094                    | (6)  | 3,088                            |
| <b>Balance at March 31, 2023</b>    | <b>\$ 176,417</b>      | <b>\$ 62,714</b>         | <b>\$ 528</b>                              | <b>\$ 239,659</b>                |

The accompanying notes are an integral part of the Consolidated Financial Statements.

**GNC HOLDINGS, LLC AND SUBSIDIARIES**  
**Consolidated Statements of Cash Flows**  
**(unaudited)**

|   | <b><u>Three months ended March 31,</u></b> |                    |
|---|--|--------------------|
|   | <b><u>2024</u></b>                         | <b><u>2023</u></b> |
|   | <b>(in thousands)</b>                      |                    |
| <b>Cash flows from operating activities:</b>  |  |                    |
| Net (loss) income   | \$ (11,323)                                | \$ 3,094           |
| <b>Adjustments to reconcile net (loss) income to net cash provided by operating activities:</b> |  |                    |
| Loss from equity method investments   | 938  | 83                 |
| Depreciation and amortization expense   | 6,348                                      | 6,136              |
| Stock-based compensation  | 230  | 84                 |
| Amortization of debt costs  | 862  | 1,351              |
| <b>Changes in assets and liabilities:</b>   |  |                    |
| (Increase) decrease in receivables  | (3,305)                                    | 1,583              |
| Decrease in inventory   | 9,513                                      | 19,861             |
| Increase in prepaid and other current assets  | (3,082)                                    | (420)              |
| (Decrease) increase in accounts payable   | (4,737)                                    | 9,816              |
| Increase (decrease) in deferred revenue and accrued liabilities                                 | 2,486                                      | (5,264)            |
| Increase in accrued interest  | 5,344                                      | 5,033              |
| Changes in operating lease assets and liabilities   | 373  | 1,038              |
| Other changes in assets and liabilities   | 49   | 7,145              |
| <b>Net cash provided by operating activities</b>  | <b>3,696</b>                               | <b>49,540</b>      |
| <b>Cash flows from investing activities:</b>  |  |                    |
| Capital expenditures  | (3,958)                                    | (7,809)            |
| Refanchising proceeds, net of store acquisition costs   | 799  | 1                  |
| <b>Net cash used in investing activities</b>  | <b>(3,159)</b>                             | <b>(7,808)</b>     |
| <b>Cash flows from financing activities:</b>  |  |                    |
| Payments on Second Lien Term Loan   | (307)                                      | (13,921)           |
| <b>Net cash used in financing activities</b>  | <b>(307)</b>                               | <b>(13,921)</b>    |
| Effect of exchange rate changes on cash and cash equivalents                                    | (375)                                      | 83                 |
| <b>Net (decrease) increase in cash and cash equivalents and restricted cash</b>                 | <b>(145)</b>                               | <b>27,894</b>      |
| <b>Beginning balance, cash and cash equivalents and restricted cash</b>                         | <b>69,827</b>                              | <b>54,555</b>      |
| <b>Ending balance, cash and cash equivalents and restricted cash</b>                            | <b>\$ 69,682</b>                           | <b>\$ 82,449</b>   |

The accompanying notes are an integral part of the Consolidated Financial Statements.

**GNC HOLDINGS, LLC AND SUBSIDIARIES**  
**Supplemental Cash Flow Information**  
(unaudited)

|   | <b>Three months ended March 31,</b> |             |
|---|-------------------------------------|-------------|
|   | <b>2024</b>                         | <b>2023</b> |
|   | <b>(in thousands)</b>               |             |
| -   |                                     |             |
| <b>Cash paid during the period for:</b>     |                                     |             |
| Debt interest                               | \$ 6,013                            | \$ 6,614    |
| Income taxes, net                           | (669)                               | 4,770       |
| <b>Non-cash investing activities:</b>       |                                     |             |
| Capital expenditures in current liabilities | 616                                 | 1,494       |

## GNC HOLDINGS, LLC AND SUBSIDIARIES

### NOTES TO THE UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS

#### NOTE 1. NATURE OF BUSINESS

GNC Holdings, LLC, a Delaware company ("Holdings," and collectively with its subsidiaries, the "Company" or "GNC"), is a global health and wellness brand with a diversified, omni-channel business. The Company's assortment of performance and nutritional supplements, vitamins, herbs and greens, health and beauty, food and drink and other general merchandise features innovative private-label products as well as nationally recognized third-party brands, many of which are exclusive to GNC.

#### Acquisition

GNC Holdings, Inc. and certain of its subsidiaries ("Debtors") commenced voluntary cases under Chapter 11 of the United States Bankruptcy Code in the United States Bankruptcy Court for the District of Delaware on June 23, 2020. Harbin Pharmaceutical Group Holding Co., Ltd. ("Parent") agreed to acquire substantially all of the Debtor's assets and assume certain liabilities pursuant to a stalking horse agreement (the "Stalking Horse Agreement"). GNC Holdings, LLC was subsequently formed as a wholly owned subsidiary of Parent on August 17, 2020 (inception) and commenced operations on October 7, 2020 at the closing of the acquisition. The Company is a wholly owned subsidiary of ZT Biopharmaceutical, LLC ("ZT"), a Delaware limited liability company, which in turn is a wholly owned subsidiary of Jacks Management (Suzhou) Limited ("Jacks Management" or "Jacks"), an entity formed in the Peoples Republic of China. The Parent, indirectly through ZT and Jacks Management, owns 100% of GNC Holdings, LLC.

#### Recent Events and Liquidity

The Company has recently experienced negative same store sales and a decline in gross profit. The Company is focusing on sustainable revenue growth by enhancing the in-store and online customer experience, targeted marketing efforts to drive traffic and fostering product innovation. Additionally, cost reduction initiatives are underway, including manufacturing diversification, supply chain optimization and efficiencies through workforce reorganization.

At December 31, 2023, the Company has an outstanding principal balance of \$245.4 million on its 1L Term Loan with the Bank of China, as discussed in Note 6. "Long-term Debt". In April 2024, the Company remitted payment of \$40.0 million toward the 1L Term Loan facility, in part utilizing \$20 million in proceeds from a shareholder loan with Jacks Management. The payment satisfied the Company's \$36.7 million amortization payment due in April 2024 and an additional \$3.3 million toward its \$52.2 million amortization payment due in October 2024. As of May 29, 2024, the date the consolidated financial statements were available to be issued, the Company had debt maturities of \$119.0 million on its 1L Term Loan due within one year. The Company is in the process of reviewing refinancing options with the Bank of China to address its outstanding debt under the 1L Term Loan. While these efforts are ongoing, no assurances regarding the likelihood, certainty or exact timing of the refinancing can be made.

Without the success of the above-mentioned initiatives to mitigate the impact of the recent declines, management's operating cash flows are not expected to be sufficient to satisfy the current indebtedness under the 1L Term Loan when it becomes due. However, all obligations under the 1L Term Loan are unconditionally and irrevocably, jointly and severally, guaranteed by Parent, together with Jacks Management and ZT, pursuant to the terms of the Facilities Agreement and the First Lien Guarantee and Collateral Agreement dated October 7, 2020. The 1L Term Loan guarantee is secured by a pledge of Parent's shares of Harbin Pharmaceutical Group Co., Ltd. ("Listco"), which are listed on the Shanghai Stock Exchange, by way of a first priority pledge, to Bank of China. The number of pledged shares was 926.9 million as of the date of the pledge, representing approximately 37% of the total issued shares of Listco. The pledged shares were valued at approximately \$400 million using the market capitalization as of May 1, 2024. The guarantee and pledge remain in effect until all 1L Term Loan obligations are satisfied. The capital stock of the Listco has been registered as pledged shares at the China Securities Depository and Clearing Corporation. In the event of non-payment on the 1L Term Loan by the Company, Bank of China is allowed to transfer the equivalent amount of shares to its name, without any action by the Parent which will fully satisfy the Company's obligations under the 1L Term Loan.

## GNC HOLDINGS, LLC AND SUBSIDIARIES

### NOTES TO THE UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

The 2L Term Loan provides for an event of default for non-payment of the 1L Term Loan if the Bank of China accelerates the maturity of the obligations and the outstanding default remains unremedied. Pursuant to the Intercreditor and Subordination Agreement dated as of October 7, 2020, between Bank of China and GLAS Trust Company LLC, as administrative agent and as collateral agent for the holders of the 2L Term Loan, there is a 180-day standstill period before the Second Lien lenders can proceed to enforce any action in the event of accelerated obligations under the Bank of China Facilities Agreement to allow the Company to remedy the outstanding default. The satisfaction of the Company's obligations under the 1L Term Loan by transferring the pledged shares of Listco to the Bank of China would remedy a 2L Term Loan event of default due to non-payment of the 1L Term Loan and its acceleration.

#### **NOTE 2. BASIS OF PRESENTATION**

##### **Basis of Presentation**

The accompanying unaudited Consolidated Financial Statements and Footnotes include all adjustments (of a normal and recurring nature) that management considers necessary to fairly state the Company's results of operations, financial position and cash flows. The December 31, 2023 Consolidated Balance Sheet was derived from audited financial statements, but does not include all disclosures required by accounting principles generally accepted in the United States of America ("U.S. GAAP"). These interim Consolidated Financial Statements should be read in conjunction with the Consolidated Financial Statements and Footnotes included in the Company's audited financial statements. Interim results are not necessarily indicative of the results that may be expected for the remainder of the year ending December 31, 2024.

**GNC HOLDINGS, LLC AND SUBSIDIARIES**

**NOTES TO THE UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS (Continued)**

**NOTE 3. REVENUE**

Revenue is recognized when obligations under the terms of a contract with the customer are satisfied; generally, this occurs with the transfer of control of products or services. The Company satisfies performance obligations either over time or at a point in time as discussed in further detail below. Revenue is measured as the amount of consideration expected to be received in exchange for transferring goods or providing services. Applicable sales tax collected concurrent with revenue-producing activities is excluded from revenue.

**U.S. and Canada Revenue**

The following is a summary of revenue disaggregated by major source in the U.S. and Canada reportable segment:

|  | <b>Three months ended March 31,</b> |                   |
|--|-------------------------------------|-------------------|
|  | <b>2024</b>                         | <b>2023</b>       |
|  | <b>(in thousands)</b>               |                   |
| <b><u>U.S. company-owned product sales:</u></b> <sup>(1)</sup> |                                     |                   |
| Protein  | \$ 57,519                           | \$ 73,366         |
| Performance supplements  | 56,641                              | 69,172            |
| Weight management  | 7,780                               | 7,462             |
| Vitamins   | 30,768                              | 36,317            |
| Herbs / Greens   | 10,308                              | 11,385            |
| Wellness   | 18,674                              | 20,699            |
| Health / Beauty  | 16,819                              | 19,370            |
| Food / Drink   | 14,023                              | 21,552            |
| General merchandise  | 3,265                               | 3,488             |
| <b><u>Total U.S. company-owned product sales</u></b>           | <b>\$ 215,797</b>                   | <b>\$ 262,811</b> |
| Wholesale sales to franchisees                                 | 37,293                              | 50,707            |
| Royalties and franchise fees                                   | 5,825                               | 7,007             |
| Cooperative advertising and other franchise support fees       | 3,678                               | 4,379             |
| Other <sup>(2)</sup>   | 9,307                               | 14,588            |
| <b><u>Total U.S. and Canada revenue</u></b>                    | <b>\$ 271,900</b>                   | <b>\$ 339,492</b> |

(3) Includes e-commerce sales.

(1) Includes revenue primarily related to Canada operations and loyalty programs, myGNC Rewards and PRO Access.

**International Revenue**

The following is a summary of the revenue disaggregated by major source in the International reportable segment:

|   | <b>Three months ended March 31,</b> |                  |
|---|-------------------------------------|------------------|
|   | <b>2024</b>                         | <b>2023</b>      |
|   | <b>(in thousands)</b>               |                  |
| Wholesale sales to franchisees            | \$ 16,853                           | \$ 11,704        |
| Royalties and franchise fees              | 4,006                               | 3,749            |
| Other                                     | 3,961                               | 3,770            |
| <b><u>Total International revenue</u></b> | <b>\$ 24,820</b>                    | <b>\$ 19,223</b> |

**GNC HOLDINGS, LLC AND SUBSIDIARIES**

**NOTES TO THE UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS (Continued)**

**Wholesale Revenue**

The following is a summary of the revenue disaggregated by major source in the Wholesale reportable segment:

|                                | <u>Three months ended March 31,</u> |                  |
|--------------------------------|-------------------------------------|------------------|
|                                | <u>2024</u>                         | <u>2023</u>      |
|                                | <u>(in thousands)</u>               |                  |
| Wholesale partner sales        | \$ 11,656                           | \$ 16,519        |
| <b>Total Wholesale revenue</b> | <b>\$ 11,656</b>                    | <b>\$ 16,519</b> |

**Revenue by Geography**

The following is a summary of the revenue by geography:

|  | <u>Three months ended March 31,</u> |                   |
|--|-------------------------------------|-------------------|
|  | <u>2024</u>                         | <u>2023</u>       |
|  | <u>(in thousands)</u>               |                   |
| <b>Total revenues by geographic areas<sup>(1)</sup>:</b> |                                     |                   |
| United States  | \$ 301,039                          | \$ 366,538        |
| Foreign  | 7,337                               | 8,696             |
| <b>Total revenues</b>                                    | <b>\$ 308,376</b>                   | <b>\$ 375,234</b> |

(1) Geographic areas are defined based on legal entity jurisdiction.

**Balances from Contracts with Customers**

Contract liabilities include payments received in advance of performance under the contract. The Company records contract liabilities within deferred revenue and other current liabilities and other long-term liabilities on the Consolidated Balance Sheet.

The following table presents changes in the Company's contract liabilities:

|   | <u>Three months ended March 31, 2024</u> |   |   |                                 |
|---|--|---|---|---------------------------------|
|   | <u>Balance at beginning of period</u>    | <u>Recognition of revenue included in beginning balance</u> | <u>Contract liability, net of revenue, recognized during the period</u> | <u>Balance at end of period</u> |
|   | <u>(in thousands)</u>                    |   |   |                                 |
| Franchise and license fees  | \$ 7,202                                 | \$ (400)  | \$ 638  | \$ 7,440                        |
| PRO Access membership fee and loyalty program points <sup>(1)</sup> | 13,610                                   | (8,446)   | 8,948   | 14,112                          |
| Gift card liability <sup>(1)</sup>                                  | 2,519                                    | (1,093)   | 158   | 1,584                           |

(1) Net of estimated breakage

**GNC HOLDINGS, LLC AND SUBSIDIARIES**

**NOTES TO THE UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS (Continued)**

|   | <u>Three months ended March 31, 2023</u> |   |   |                                 |
|---|--|---|---|---------------------------------|
|   | <u>Balance at beginning of period</u>    | <u>Recognition of revenue included in beginning balance</u> | <u>Contract liability, net of revenue, recognized during the period</u> | <u>Balance at end of period</u> |
| -   |  |   |   |                                 |
|   | <u>(in thousands)</u>                    |   |   |                                 |
| Franchise and license fees  | \$ 6,377                                 | \$ (306)  | \$ 63   | \$ 6,134                        |
| PRO Access membership fee and loyalty program points <sup>(1)</sup> | 16,842                                   | (10,749)  | 7,283   | 13,376                          |
| Gift card liability <sup>(1)</sup>                                  | 2,575                                    | (1,128)   | 208   | 1,655                           |

(1) Net of estimated breakage

As of March 31, 2024, the Company had contract liabilities with unsatisfied performance obligations extending through 2034 of \$23.1 million, of which \$16.5 million is expected to be recognized over the next 12 months.

**NOTE 4. INCOME TAXES**

The Company's effective tax rate was 33.4% and 32.6% for the three months ended March 31, 2024 and 2023, respectively. The Company recognized an income tax benefit of \$2.8 million during the three months ended March 31, 2024 compared with \$1.5 million of income tax expense in the prior year quarter. The Company's income tax is based on income, statutory tax rates and tax planning opportunities available in the jurisdictions in which it operates. The Company's tax provision is calculated by applying the most recent annualized effective tax rate to year-to-date pre-tax ordinary (loss) income. The tax impact of unusual or infrequent items are recorded discretely in the interim period in which they occur. There were no unusual or infrequent items recorded in the three months ended March 31, 2024 or 2023.

As of March 31, 2023, the company has an uncertain tax position in the amount of \$0.1 million related to apportionment positions taken on the 2021 state tax returns. Management believes no additional reserves are required for unrecognized tax benefits for the quarter ended March 31, 2024.

GNC Holdings, LLC files a consolidated federal tax return and various consolidated and separate tax returns as prescribed by the tax laws of the state, local and international jurisdictions in which it and its subsidiaries operate.

**GNC HOLDINGS, LLC AND SUBSIDIARIES**

**NOTES TO THE UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS (Continued)**

**NOTE 5. PROPERTY, PLANT AND EQUIPMENT, NET**

Property, plant and equipment, net, consisted of the following:

|   | <b>March 31, 2024</b> | <b>December 31, 2023</b> |
|---|-----------------------|--------------------------|
| -   |                       |                          |
|   | <b>(in thousands)</b> |                          |
| <u>Machinery and equipment</u>                    | \$ 46,028             | \$ 47,076                |
| <u>Leasehold improvements</u>                     | 38,749                | 37,963                   |
| <u>Furniture and fixtures</u>                     | 25,919                | 25,656                   |
| <u>Software</u>                                   | 14,512                | 13,735                   |
| <u>Construction in progress</u>                   | 2,102                 | 628                      |
| <b><u>Total property, plant and equipment</u></b> | <b>127,310</b>        | <b>125,058</b>           |
| <u>Less: accumulated depreciation</u>             | <u>(65,534)</u>       | <u>(62,139)</u>          |
| <b><u>Property, plant and equipment, net</u></b>  | <b>\$ 61,776</b>      | <b>\$ 62,919</b>         |

The Company records depreciation expense on property, plant and equipment within occupancy expense, as part of cost of sales, and within SG&A expense on the Consolidated Statement of Operations. The Company recognized depreciation expense of \$4.7 million and \$4.5 million for the three months ended March 31, 2024 and 2023, respectively.

**GNC HOLDINGS, INC. AND SUBSIDIARIES**

**NOTES TO THE UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS (Continued)**

**NOTE 6. LONG-TERM DEBT / INTEREST EXPENSE**

Long-term debt consisted of the following:

|                                 | <u>March 31, 2024</u> | <u>December 31, 2023</u> |
|---------------------------------|-----------------------|--------------------------|
| -                               |                       |                          |
|                                 | (in thousands)        |                          |
| <u>Initial Term Loan</u>        | \$ 245,365            | \$ 245,365               |
| <u>Second Lien Term Loan</u>    | 148,581               | 148,887                  |
| <u>Debt issuance costs</u>      | (3,909)               | (4,770)                  |
| <b><u>Total debt</u></b>        | <b>\$ 390,037</b>     | <b>\$ 389,482</b>        |
| <u>Less: current maturities</u> | (89,487)              | (89,487)                 |
| <b><u>Long-term debt</u></b>    | <b>\$ 300,550</b>     | <b>\$ 299,995</b>        |

At March 31, 2024, the Company's future annual contractual obligations on long-term debt are detailed below:

|                     | <u>Initial Term<br/>Loan</u> | <u>Second Lien<br/>Term Loan</u> | <u>Total</u>      |
|---------------------|------------------------------|----------------------------------|-------------------|
|                     | (in thousands)               |                                  |                   |
| <u>2024</u>         | \$ 89,487                    | \$ —                             | \$ 89,487         |
| <u>2025</u>         | 155,878                      | —                                | 155,878           |
| <u>2026</u>         | —                            | 148,581                          | 148,581           |
| <b><u>Total</u></b> | <b>\$ 245,365</b>            | <b>\$ 148,581</b>                | <b>\$ 393,946</b> |

## GNC HOLDINGS, LLC AND SUBSIDIARIES

### NOTES TO THE UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

#### Initial Term Loan

On September 29, 2020, the Company entered into a five-year agreement ("Facilities Agreement") with the Bank of China ("the Lender"), whereby the Lender made available a term loan facility of \$400 million ("1L Term Loan"). The Company is required to repay amounts borrowed in semi-annual installments beginning 12 months following the date of agreement over the five-year term of the loan. The interest was payable at a rate of 4.25% per annum plus LIBOR. In accordance with an amendment to the Facilities Agreement in January 2022, the Company received an interest rate reduction for the first six months of 2022. Effective January 1, 2022 through June 30, 2022, interest related to the 1L Term Loan was payable at a rate of 2.75% plus LIBOR, and reverted back to 4.25% plus LIBOR at the start of the third quarter of 2022. Additionally, pursuant to the terms of the agreement, if the Company refinances the 1L Term Loan with a lender in full after June 30, 2022 and such refinancing is not arranged with the Bank of China, GNC is required to pay a transaction fee of \$1.0 million on the date the refinancing occurs. The transaction fee was accrued within deferred revenue and other current liabilities on the Consolidated Balance Sheets as of March 31, 2024 and December 31, 2023. In December 2022, the Federal Reserve Board adopted a rule implementing the Adjustable Interest Rate Act, which identified benchmark rates based on the secured overnight financing rate (SOFR) as a replacement for LIBOR in contracts ("2022 LIBOR Act). In accordance with the 2022 LIBOR Act, ICE Benchmark Administration, the administrator of LIBOR, ceased the publication of all LIBOR settings no later than June 30, 2023. As such, on June 9, 2023, the Company and Bank of China amended the Facilities Agreement such that Term SOFR would be the principal benchmark replacing LIBOR in the calculation of 1L Term Loan interest, which commenced in the third quarter of 2023. The total interest rate on the 1L Term Loan for the three months ended March 31, 2024 and 2023 was 9.59% and 8.77%, respectively. As of March 31, 2024, the Company selected a one month interest period.

In connection with the issuance of the 1L Term Loan, the Company capitalized debt issuance costs of \$28.8 million which are being amortized using the effective interest method over the term of the loan. The debt issuance costs include a guarantee fee of \$8.0 million in consideration for the guarantee rendered by the Parent, together with Jack's Management and ZT, as guarantors ("Guarantee Fee"). The Guarantee Fee is adjusted on a pro rata basis based on prepayments of the outstanding debt, and is payable to ZT at the election of GNC over the term of the loan. The Guarantee Fee is classified in accounts payable due to related parties and long-term payable due to related parties on the Consolidated Balance Sheets.

The 1L Term Loan includes financial covenants relating to (i) a Guarantee EBITDA Coverage Ratio and (ii) a Guarantee Asset Coverage Ratio. Under this agreement, the Guarantee EBITDA Coverage Ratio stipulates that the aggregate of earnings before interest, tax, depreciation, and amortization of each Guarantor (GNC and Parent) individually cannot be less than 90 percent of adjusted EBITDA of the consolidated Group (GNC, Parent, and each of their subsidiaries, collectively). The Guarantee Asset Coverage Ratio stipulates that the aggregate total assets of each Guarantor individually cannot be less than 90 percent of the consolidated total assets of the Group. If we fail to satisfy either Guarantee Coverage Ratio, we are required to procure additional Group Members to the extent that the ratio is restored within 90 days. The Company was in compliance with all financial covenants under the 1L Term Loan as of March 31, 2024 and December 31, 2023.

#### Second Lien Term Loan Credit Agreement

In October 2020, the Company entered into a six-year \$184.3 million second lien term loan ("2L Term Loan"), under which GLAS Trust Company LLC ("GLAS") serves as the Administrative Agent between the Company and various lenders. Under this agreement, the Company is required to pay cash fees equal to 1.5% of the outstanding principal amount of Loans semi-annually. In addition, the 2L Term Loan bears interest at the applicable margin of 6.00% plus LIBOR. As a result of the 2022 LIBOR Act, the Company and GLAS amended the Second Lien Term Loan Credit Agreement on June 22, 2023. Under the amendment, Term SOFR Rate plus 0.10% replaced LIBOR in the calculation of the 2L Term Loan interest in the last interest period of the second quarter of 2023. The total interest rate on the 2L Term Loan for the three months ended March 31, 2024 and 2023 was 11.43% and 10.56%, respectively. As of March 31, 2024, the Company selected a one month interest period. All interest due and unpaid on December 31st of each year is paid in kind by ratably increasing the principal amount of the 2L Term Loan. In connection with the issuance of the 2L Term Loan, the Company capitalized debt issuance costs in the amount of \$3.3 million which are being amortized using the effective interest method over the term of the loan.

## GNC HOLDINGS, LLC AND SUBSIDIARIES

### NOTES TO THE UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

In May 2021, the Company reached an agreement with the Bank of China to amend the Facilities Agreement, whereby the Company is permitted, utilizing ZT as an intermediary, to purchase outstanding 2L Term Loan notes on the open market, provided that (i) these purchases are made at a discount and (ii) the Company prepays the Initial Term Facility loan in a principal amount of at least 150% of any such purchases. In addition, the Company may elect to apply any voluntary prepayment made towards the next excess cash flow mandatory prepayment. The agreement with the Bank of China also amended certain other non-financial covenants within the Facilities Agreement.

The 2L Term Loan agreement includes financial covenants relating to (i) a maximum Leverage Ratio, (ii) a Guarantee EBITDA Coverage Ratio, and (iii) a Guarantee Asset Coverage Ratio. Leverage as of the last day of any fiscal quarter, beginning with the quarter ended September 30, 2021, cannot be less than or equal to 1.50 to 1.00. The Guarantee EBITDA Coverage Ratio stipulates that the aggregate of earnings before interest, tax, depreciation, and amortization of each Guarantor (GNC and Parent) individually cannot be less than 90 percent of adjusted EBITDA of the consolidated Group (GNC, Parent, and each of their subsidiaries, collectively). The Guarantee Asset Coverage Ratio stipulates that the aggregate total assets of each Guarantor individually cannot be less than 90 percent of the consolidated total assets of the Group. If the Company fails to satisfy either Guarantee Coverage Ratio, we are required to procure additional Group Members to the extent that the ratio is restored within 90 days. The Company was in compliance with all financial covenants under the 2L Term Loan as of March 31, 2024 and December 31, 2023.

#### Assets Pledged as Security for Borrowings

The Company has pledged substantially all of its assets (with the exception of certain excluded assets) as security for obligations due under the 1L Term Loan and 2L Term Loan, upon the terms and subject to the conditions set forth in the First Lien Guarantee and Collateral Agreement and Second Lien Guarantee and Collateral Agreement, respectively, each dated October 7, 2020.

#### Guarantee and Security for Borrowings

All obligations under the 1L Term Loan are unconditionally and irrevocably, jointly and severally, guaranteed by Parent, together with Jacks Management and ZT, pursuant to the terms of the Facilities Agreement and the First Lien Guarantee and Collateral Agreement dated October 7, 2020. The 1L Term Loan guarantee is secured by a pledge of the Parent's shares, by way of a first priority pledge, to Bank of China. The guarantee and pledge remain in effect until all 1L Term Loan obligations are satisfied.

#### Debtor's tax refund proceeds and estate escrow

In accordance with the terms of the Stalking Horse Agreement, the plan administrator of the Debtors has a requirement to remit the U.S federal and state tax refund proceeds from final tax return filings of the Debtors for the 2020 taxable year ("2020 Tax Refund Proceeds") to the Company. The Company shall utilize the 2020 Tax Refund Proceeds for prepayment of the 2L Term Loan. As such, in 2021 the Company recognized an estimated \$16.8 million asset for the 2020 Tax Refund Proceeds in connection with the Acquisition, recorded within other long-term assets, the full amount of which was received in 2023, including \$13.9 million in the first quarter of 2023.

In connection with the Debtor's Chapter 11 proceedings, certain funds were placed in segregated escrow accounts held by the Debtors for purposes of paying and discharging certain claims and specified liabilities to the extent they are not settled by the Company, as well as to support the wind down of any remaining business of the Debtor entities. Any remaining funds in escrow after the claims and specified liabilities are discharged, the plan administrator is required to either remit the funds to the Company or to the 2L Term Loan agent on behalf of the Company to pay towards the 2L Term Loan. Among the funds placed in

**GNC HOLDINGS, LLC AND SUBSIDIARIES**

**NOTES TO THE UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS (Continued)**

a segregated escrow account held by the Debtors for satisfying certain tax related liabilities and claims included approximate \$7 million tax refund proceeds from the overpayment of estimated U.S federal income taxes from the 2019 taxable year ("2019 Tax Refund Proceeds"). To the extent there are excess funds from the 2019 Tax Refund Proceeds or other escrow accounts, the Company could realize a material gain in future periods.

*IVC Proceeds*

The Company had an equity investment with International Vitamin Corporation ("IVC") for a strategic manufacturing joint venture ("Manufacturing JV"). See Note 7. "Equity Investments" for additional information on the Manufacturing JV. In accordance with the terms of the Facilities Agreement, proceeds received by the Company from IVC for the purchase of additional interest in the Manufacturing JV or other distributions from the Manufacturing JV ("IVC Proceeds") are required to be applied as mandatory prepayments towards the 1L Term Loan and 2L Term Loan on a pro rata basis. The final purchase of equity interest in the Manufacturing JV occurred in the second quarter of 2023.

*Excess Cash Flow*

The Company is required to make certain mandatory prepayments, including a requirement to prepay the 1L Term Loan first and the 2L Term Loan second, in each case annually with amounts based on excess cash flow, as defined in the Company's 1L Term Loan agreement as being greater than or equal to \$50 million as of December 31 each year the agreement is in effect. The payment will be 60% of excess cash flow, less any taxes paid or reasonably estimated, toward the 1L Term Loan. Any amount in excess of \$50 million thereafter is subject to prepayment of 15% toward the 2L Term Loan, provided that the net senior leverage ratio is less than or equal to 2.00 to 1.00. Based on the Company's results for the period ended December 31, 2022, the Company was not required to make an excess cash flow payment during 2023. Based on the Company's results for the year ended December 31, 2023, the Company is required to make an excess cash flow payment of \$0.6 million towards the 1L Term Loan. The \$0.6 million excess cash flow payment is classified as current on the Company's Consolidated Balance Sheets as of March 31, 2024 and December 31, 2023.

*Debt Payments*

The Company's debt payments consisted of the following:

|   | <u>Three months ended March 31,</u> |                           |
|---|-------------------------------------|---------------------------|
|   | <u>2024</u>                         | <u>2023</u>               |
|   | <u>2L Term Loan</u>                 | <u>2L Term Loan</u>       |
| <u>Tax refund proceeds and excess funds from Debtors' Estate escrow</u> | <u>\$ (307)</u>                     | <u>\$ (13,921)</u>        |
| <u><b>Total cash debt payments</b></u>                                  | <u><b>\$ (307)</b></u>              | <u><b>\$ (13,921)</b></u> |

**GNC HOLDINGS, LLC AND SUBSIDIARIES**

**NOTES TO THE UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS (Continued)**

Interest Expense

Interest expense consisted of the following:

|   | <b>Three months ended March 31,</b> |                  |
|---|-------------------------------------|------------------|
|   | <b>2024</b>                         | <b>2023</b>      |
|   | <b>(in thousands)</b>               |                  |
| <b>Interest expense</b>                 |                                     |                  |
| 1L Term Loan                            | \$ 5,947                            | \$ 6,452         |
| 2L Term Loan                            | 5,421                               | 5,195            |
| Amortization of deferred financing fees | 862                                 | 1,351            |
| <b>Total interest expense</b>           | <b>12,230</b>                       | <b>12,998</b>    |
| Other interest income, net              | (253)                               | (144)            |
| <b>Interest expense, net</b>            | <b>\$ 11,977</b>                    | <b>\$ 12,854</b> |

**NOTE 7. EQUITY INVESTMENTS**

Equity Method Investments

The Company has a 35% ownership in two joint ventures, the Hong Kong joint venture ("HK JV") and China joint venture ("China JV"), which are accounted for under the equity method. The HK JV includes the operation of the cross-border China e-commerce business, and has an exclusive right to use the Company's trademarks to manufacture and distribute the Company's products in China (excluding Hong Kong, Taiwan and Macau) via e-commerce channels. The China JV is a retail-focused joint venture to operate GNC's brick-and-mortar retail business in China with an exclusive right to use the Company's trademarks to manufacture and distribute the Company's products in China (excluding Hong Kong, Taiwan and Macau) via retail stores and pharmacies.

The following table provides a reconciliation of equity method investments:

|   | <b>March 31, 2024</b> | <b>December 31, 2023</b> |
|---|-----------------------|--------------------------|
|   | <b>(in thousands)</b> |                          |
| HK JV and China JV  | \$ 25,200             | \$ 25,200                |
| Accumulated impairment of HK JV and China JV <sup>(1)</sup> | (16,806)              | (16,806)                 |
| Accumulated loss from equity method investments             | (5,018)               | (4,080)                  |
| Foreign currency  | (165)                 | (162)                    |
| <b>Total equity method investments</b>                      | <b>\$ 3,211</b>       | <b>\$ 4,152</b>          |

(1) As a result of historical losses on the Company's investment and a decline in the financial projections for the HK JV and China JV, management concluded a triggering event occurred in the fourth quarter of 2022 requiring an impairment test of its equity method investment. The Company estimated the fair value of its investment in the HK JV and China JV using a discounted cash flow method (income approach). Based on the results of the impairment test, the Company recorded a \$16.8 million other-than-temporary impairment loss in the fourth quarter of 2022, recognized within loss from equity method investments on the Consolidated Statement of Operations.

Non-marketable equity investments

The Company has equity investments in privately held companies without a readily determinable fair value ("non-marketable equity investments") which are accounted for at their initial cost plus adjustments for observable price changes or

**GNC HOLDINGS, LLC AND SUBSIDIARIES**

**NOTES TO THE UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS (Continued)**

minus impairments. The following table provides a reconciliation of the non-marketable equity investments, recorded to other long-term assets on the Consolidated Balance Sheets:

|  | <u>March 31, 2024</u>  | <u>December 31, 2023</u> |
|--|------------------------|--------------------------|
|  | (in thousands)         |                          |
| <u>Initial cost</u>                                | \$ 4,105               | \$ 9,655                 |
| <u>Adjustments to carrying value<sup>(1)</sup></u> | 1,250                  | (4,300)                  |
| <b><u>Non-marketable equity investments</u></b>    | <b><u>\$ 5,355</u></b> | <b><u>\$ 5,355</u></b>   |

(1) Adjustments to the carrying value during the year ended December 31, 2023 include a \$5.6 million impairment loss, recorded to other (income) loss, net, on the Consolidated Statement of Operations and within other changes in assets and liabilities on the Consolidated Statement of Cash Flows.

The Company has agreements with non-marketable equity investments which include consideration received in 2021. The instruments were recorded at fair value and recorded in deferred revenue and other current liabilities on the Consolidated Balance Sheets. The terms of the agreements require the Company to defer recognition of the consideration over the life of the agreement. For the three months ended March 31, 2024, the Company recognized a benefit of \$0.4 million in the Consolidated Statement of Operations from its non-marketable equity investments, of which \$0.1 million is recognized within selling, general, and administrative expense and \$0.3 million recognized within cost of sales. For the three months ended March 31, 2023, the Company recognized a benefit of \$1.3 million in the Consolidated Statement of Operations, of which \$0.2 million is recognized within selling, general, and administrative expense and \$1.1 million recognized within cost of sales.

**NOTE 8. DEFERRED REVENUE AND OTHER CURRENT LIABILITIES**

Deferred revenue and other current liabilities consisted of the following:

|  | <u>March 31, 2024</u>   | <u>December 31, 2023</u> |
|--|-------------------------|--------------------------|
|  | (in thousands)          |                          |
| <u>Deferred revenue</u>  | \$ 19,390               | \$ 19,948                |
| <u>Accrued compensation and related benefits</u>                   | 15,013                  | 12,544                   |
| <u>Accrued interest</u>  | 6,636                   | 1,293                    |
| <u>Other current liabilities</u>                                   | 14,404                  | 13,957                   |
| <b><u>Total deferred revenue and other current liabilities</u></b> | <b><u>\$ 55,443</u></b> | <b><u>\$ 47,742</u></b>  |

**NOTE 9. COMMITMENTS AND CONTINGENCIES**

The Company is engaged in various legal actions, claims and proceedings arising in the normal course of business, including claims related to breach of contracts, product liability matters, intellectual property matters and employment-related matters resulting from the Company's business activities.

The Company's contingencies are subject to substantial uncertainties, including for each such contingency the following, among other factors: (i) the procedural status of the case; (ii) whether the case has or may be certified as a class action suit; (iii) the outcome of preliminary motions; (iv) the impact of discovery; (v) whether there are significant factual issues to be determined or resolved; (vi) whether the proceedings involve a large number of parties and/or parties and claims in multiple jurisdictions or jurisdictions in which the relevant laws are complex or unclear; (vii) the extent of potential damages, which are often unspecified or indeterminate; and (viii) the status of settlement discussions, if any, and the settlement posture of the parties. Consequently, except as otherwise noted below with regard to a particular matter, the Company cannot predict with any reasonable certainty the timing or outcome of the legal matters described below, and the Company is unable to estimate a possible loss or range of loss

## GNC HOLDINGS, LLC AND SUBSIDIARIES

### NOTES TO THE UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

for such matters. If the Company ultimately is required to make any payments in connection with an adverse outcome in any of the matters discussed below, it is possible that it could have a material adverse effect on the Company's business, financial condition, results of operations or cash flows.

As a retailer of nutritional supplements and other consumer products that are ingested by consumers or applied to their bodies, the Company has been subjected to various product liability claims. Although the effects of these claims to date have not been material to the Company, it is possible that product liability claims could have a material adverse effect on its business or financial condition, results of operations or cash flows. The Company currently maintains product liability insurance with a deductible/retention of \$4.0 million per claim with an aggregate cap on retained loss of \$10.0 million per policy year. The Company typically seeks and has obtained contractual indemnification from most parties that supply its products or that manufacture or market products it sells. The Company also typically seeks to be added, and has been added, as an additional insured under most of such parties' insurance policies. However, any such indemnification or insurance is limited by its terms and any such indemnification, as a practical matter, is limited to the creditworthiness of the indemnifying party and its insurer, and the absence of significant defenses by the insurers. Consequently, the Company may incur material product liability claims, which could increase its costs and adversely affect its reputation, revenue and operating income.

#### Environmental Compliance

~~GNC Holdings, Inc. owned 100% of the Nutra manufacturing facility in Greenville, South Carolina prior to entering into the Manufacturing JV in March 2019. Under GNC Holdings, Inc. ownership and as part of soil and groundwater remediation conducted at the Nutra manufacturing facility pursuant to an investigation conducted in partnership with the South Carolina Department of Health and Environmental Control (the "DHEC"), GNC Holdings, Inc. completed additional investigations with the DHEC's approval, including the installation and operation of a pilot vapor extraction system under a portion of the facility in 2016. After an initial monitoring period, in October of 2017 the DHEC approved a work plan for extended monitoring of such system and the contamination into 2021. While GNC Holdings, Inc. entered into the Manufacturing JV in March of 2019, it retained certain liabilities, including historical environmental liabilities, related to the facilities. In October 2020, the Company acquired the equity interest in the Manufacturing JV with the Acquisition as described in Note 3, "Acquisition". As such, the Company and the Manufacturing JV will continue to consult with the DHEC on the next steps in the work after their review of the results of the extended monitoring is complete. At this stage of the investigation, however, it is not possible to estimate the timing and extent of any additional remedial action that may be required, the ultimate cost of remediation, or the amount of the Company's potential liability. Therefore, no liability has been recorded in the Company's Consolidated Financial Statements.~~

The Company is subject to numerous federal, state, local and foreign environmental and health and safety laws and regulations governing its operations, including the handling, transportation and disposal of non-hazardous and hazardous substances and wastes, as well as emissions and discharges from its operations into the environment, including discharges to air, surface water and groundwater. Failure to comply with such laws and regulations could result in costs for remedial actions, penalties or the imposition of other liabilities. New laws, changes in existing laws or the interpretation thereof, or the development of new facts or changes in their processes could also cause the Company to incur additional capital and operating expenditures to maintain compliance with environmental laws and regulations and environmental permits. The Company is also subject to laws and regulations that impose liability and cleanup responsibility for releases of hazardous substances into the environment without regard to fault or knowledge about the condition or action causing the liability. Under certain of these laws and regulations, such liabilities can be imposed for cleanup of previously owned or operated properties, or for properties to which substances or wastes that were sent in connection with current or former operations at its facilities.

From time to time, the Company has incurred costs and obligations for correcting environmental and health and safety noncompliance matters and for remediation at or relating to certain of the Company's current or former properties or properties at which the Company's waste has been disposed. However, compliance with the provisions of national, state and local

## GNC HOLDINGS, LLC AND SUBSIDIARIES

### NOTES TO THE UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

environmental laws and regulations has not had a material effect upon the Company's capital expenditures, earnings, financial position, liquidity or competitive position. The Company believes it has complied with, and is currently complying with, its environmental obligations pursuant to environmental and health and safety laws and regulations and that any liabilities for noncompliance will not have a material adverse effect on its business, financial performance or cash flows. However, it is difficult to predict future liabilities and obligations, which could be material.

#### Commitments

The Company maintains certain commitments with various product, technology, marketing and other vendors to ensure its business operational needs are fulfilled. As of ~~December~~March 31, ~~2022~~2024, such future purchase commitments were approximately \$~~42~~26 million. All of these commitments are expected to be fulfilled with no adverse consequences to the Company's operations or financial condition.

#### ~~NOTE 13. RELATED PARTY TRANSACTIONS~~

~~ZT Biopharmaceutical LLC~~

~~In connection with the issuance of the 1L Term Loan~~ 10. RELATED PARTY TRANSACTIONS

ZT Biopharmaceutical LLC

In connection with the issuance of the 1L Term Loan, as discussed within Note ~~8~~6. "Long-Term Debt", the Company ~~capitalized debt issuance costs including~~has an \$8.0 million Guarantee Fee that is payable to ZT as a guarantor of the Facilities Agreement at the election of GNC over the five-year term of the loan, adjusted on a pro rata basis for any prepayments made on the Initial Term Loan. ~~At December 31, 2022, \$2.7 million~~The fee was ~~classified as a current liability, while \$2.7 million was classified as a long-term liability on the Consolidated Balance Sheet. At December 31, 2021, debt issuance cost. The Company has paid \$1.5 million was classified as a current liability while \$4.4 million was classified as a long-term liability of the \$8.0 million Guarantee Fee, and written off \$2.0 million of the Consolidated Balance Sheet.~~classified to debt as a current liability, while \$2.7 million was classified as a long-term liability on the Consolidated Balance Sheet. The Company has paid \$1.5 million was classified as a current liability while \$4.4 million was classified as a long-term liability of the \$8.0 million Guarantee Fee, and written off \$2.0 million of the Consolidated Balance Sheet.Guarantee Fee as a result of debt prepayments.

~~GNC has a management agreement with ZT. Under the management agreement, in consideration for the services rendered by ZT, GNC is obligated to pay an annual management fee of up to \$3.0 million for each financial year. Such services provided by ZT include strategic planning, restructuring, corporate finance, mergers and acquisitions, and corporate governance, as well as leverage of its relationships, experience, and goodwill.~~

On October 7, 2020, GNC entered into a management agreement with ZT. Under the management agreement, in consideration for the services rendered by ZT, GNC is obligated to pay an annual management fee of up to \$3.0 million for each financial year. Such services provided by ZT include strategic planning, restructuring, corporate finance, mergers and acquisitions, and corporate governance, as well as leverage of its relationships, experience, and goodwill. The Company recognized expense of \$0.8 million within SG&A expense on the Consolidated Statements of Operations for each of the three three months ended March 31, 2024 and 2023

In addition, the Company provides certain project development and support services on behalf of ZT pursuant to an intercompany project development agreement entered into ~~in~~during 2021. Under the intercompany agreement, ZT agrees to bear and pay the costs incurred by the Company in providing the services. The Company records the costs incurred on behalf of ZT to accounts payable due to related parties on the Consolidated Balance Sheets. The net costs paid by GNC on behalf of ZT during the ~~years~~three months ended ~~December~~March 31, ~~2022 and 2021~~ were ~~\$5.5 million and \$11.6 million, respectively. As of~~

**GNC HOLDINGS, LLC AND SUBSIDIARIES**

**NOTES TO THE UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS (Continued)**

~~December 31, 2022, accounts payable due to ZT were \$2.9 million. As of December 31, 2021, accounts payable due to ZT~~2024 were immaterial. ~~The net costs paid by GNC on behalf of ZT during the three months ended March 31, 2023 were \$3.1 million.~~

~~Equity Method Investments~~

As of March 31, 2024 and December 31, 2022 and 2024~~2023~~, payables due to ZT were as follows:

|  | <u>March 31, 2024</u>   | <u>December 31, 2023</u> |
|--|-------------------------|--------------------------|
|  | (in thousands)          |                          |
| <b><u>Current liabilities:</u></b>                     |                         |                          |
| Guarantee fee (current)                                | \$ 3,486                | \$ 3,486                 |
| Management fee   | 3,750                   | 3,000                    |
| Intercompany project development costs                 | 1,996                   | 2,339                    |
| <b><u>Accounts payable due to related parties</u></b>  | <b><u>9,232</u></b>     | <b><u>8,825</u></b>      |
| <b><u>Long-term liabilities:</u></b>                   |                         |                          |
| Guarantee fee (long-term)                              | 1,027                   | 1,027                    |
| <b><u>Long-term payable due to related parties</u></b> | <b><u>1,027</u></b>     | <b><u>1,027</u></b>      |
| <b><u>Total payable due to related parties</u></b>     | <b><u>\$ 10,259</u></b> | <b><u>\$ 9,852</u></b>   |

~~Equity Method Investments~~

~~As of March 31, 2024 and December 31, 2023, the Company had a 35% ownership of each of the HK JV and China JV, which are accounted for under the equity method. The Company recognized revenues generated from sales to transactions with the HK JV and China JV, primarily from wholesale sales, of \$14.4 of \$1.3 million and \$13.50.7 million for the year three months ended DecemberMarch 31, 20222024 and 20242023, respectively. The Company had \$1318.3 million and \$9.417.0 million accounts receivable outstanding as of March 31, 2024 and December 31, 2022 and 20242023, respectively.~~

~~As of December 31, 2021, the Company had a 21% ownership of the Manufacturing JV. The Company purchased \$146.0 million of finished goods from the Manufacturing JV during the year ended December 31, 2021. The Company had \$13.1 million accounts payable outstanding as of December 31, 2021. As of December 31, 2022, the Company's ownership interest in the Manufacturing JV was reduced to 11% as a result of IVC's third subsequent purchase. As such, GNC no longer held significant influence over the Manufacturing JV and therefore discontinued accruing its share of the Manufacturing JV's earnings or losses under the equity method. The Company's remaining interest in the Manufacturing JV is accounted for as a non-marketable equity investment as of December 31, 2022.~~

**NOTE 1411. SUBSEQUENT EVENTS**

Management evaluated subsequent events and transactions that occurred after the balance sheet date through April 25, 2023~~May 29, 2024~~, the date the financial statements were available to be issued.

~~In March 2023, the Company received \$13.9 million related to the 2020 Refund as discussed in Note 3. "Acquisition". The Company utilized the \$13.9 million proceeds to pay down a portion of the 2L Term Loan in accordance with the terms of the Stalking Horse Agreement.~~

**GNC HOLDINGS, LLC AND SUBSIDIARIES**

**NOTES TO THE UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS (Continued)**

In March 2024, the Company entered into a loan agreement with Jacks Management for the principal sum of \$20.0 million (“Shareholder Loan”). The Shareholder Loan maturity date is 12 months from the date of the issuance with interest accruing at a rate of Term SOFR plus 4.25%. The Company received proceeds from the loan on April 19, 2024 and utilized the proceeds to satisfy a portion of the April 2024 amortization payment on the 1L Term Loan facility. As the Shareholder Loan involved the issuance of a new debt security from Jacks with the concurrent satisfaction of the 1L Term Loan amortization payment with the Bank of China, the transaction was accounted for as an extinguishment of the existing debt and issuance of new debt during the second quarter of 2024.

**EXHIBIT MO**

**~~Subordination Agreement~~**

## ~~SUBORDINATION AGREEMENT FOR DIRECT LESSEES~~

~~\_\_\_\_\_ This Subordination Agreement for Direct Lessees (this "Agreement") is made as of the \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ between \_\_\_\_\_ ("Customer"); \_\_\_\_\_ ("Bank"); and ~~GNC HOLDINGS, LLC, 75 Hopper Place, Suite 501, Pittsburgh, PA 15222 ("GNC").~~~~

~~\_\_\_\_\_ WHEREAS, GNC has entered, or will enter, into a Franchise Agreement with the Customer for a General Nutrition Center franchise to be located at \_\_\_\_\_ (the "GNC Store");~~

~~\_\_\_\_\_ WHEREAS, the Bank has agreed to provide certain credit to the Customer for the purpose of financing the purchase by the Customer of certain equipment, furnishings, fixtures, machinery and leasehold improvements which shall be present at the GNC Store;~~

~~\_\_\_\_\_ WHEREAS, the Bank has also agreed to provide certain credit to the Customer for the purpose of financing the purchase by the Customer of certain inventory present in the GNC Store which includes GNC branded inventory and inventory manufactured by third parties (the "Inventory");~~

~~\_\_\_\_\_ WHEREAS, GNC has filed, or will file a UCC Financing Statement to perfect its lien on the fixtures, furnishings, equipment, and machinery (the "Fixed Assets"), as well as the Inventory present at the GNC Store;~~

~~\_\_\_\_\_ WHEREAS, the granting of credit by the Bank to the Customer is conditional upon GNC executing this Agreement and subordinating its security interests.~~

~~\_\_\_\_\_ NOW THEREFORE, in consideration of the Bank granting said credit to the Customer and thereby enabling the Customer to carry on business and in consideration of the sum of Ten Dollars (\$10.00) plus other good and valuable consideration now paid by the Bank to GNC (the receipt and sufficiency of which is hereby acknowledged), the parties hereto agree as follows:~~

~~1. Subordination of Security Interest by GNC. GNC does hereby subordinate any security interest that GNC has or may in the future obtain in the Fixed Assets and Inventory to and in favor of the Bank's security interest subject to the conditions listed below:~~

~~a. \_\_\_\_\_ The subordination of GNC's security interest to the Bank will give the Bank priority over GNC to the Fixed Assets and Inventory, regardless of the terms and conditions of the Franchise Agreement and any other agreement between GNC and the Customer, the dates of registration of the security interest and the dates of default by the Customer or any defects in the perfection of the security interest.~~

~~b. \_\_\_\_\_ The subordination of GNC's security interest in the Fixed Assets and Inventory will also entitle the Bank to receive, in priority over GNC, the proceeds of realization, sale, foreclosure, destruction or other disposition of the Fixed Assets and Inventory, including but not limited to, any insurance proceeds pertaining to the Fixed Assets and Inventory.~~

~~2. Termination of the Franchise Agreement, Lease or Loan. Upon expiration or termination of the Franchise Agreement, GNC Store lease, or Loans with the Bank, GNC shall have the right to purchase Inventory bearing GNC's trademarks and any Fixed Assets, fixtures, furniture or equipment bearing GNC's trademarks or containing information proprietary to GNC as outlined below:~~

- a. ~~All saleable Inventory bearing GNC's trademarks for the current wholesale cost charged by GNC. Inventory is considered unsaleable if it expires within 90 days of the sell-by date. All unsaleable Inventory bearing the GNC trademarks shall be destroyed by GNC, and no consideration shall be paid by GNC to the Bank or Customer for those items.~~
  - b. ~~All Fixed Assets bearing GNC's trademarks or containing information proprietary to GNC for its depreciated value based upon a 5-year, straight line depreciation schedule.~~
  - c. ~~GNC shall provide the Bank with written notice that it will purchase all or a part of the Inventory or Fixed Assets described in 2.a. and 2.b. herein within 30 days of receipt or issuance of notice of expiration or termination, by providing written notice to the Bank at the address written previously. GNC will not seize the Inventory or Fixed Assets described in 2a and 2b herein from the GNC Store until a date agreed upon by the parties to this Agreement. If GNC waives its rights, the Bank shall have the right to sell all Fixed Assets or Inventory to a third party without providing compensation to GNC for such sale.~~
  - d. ~~The Customer agrees to allow GNC to reenter the GNC Store to remove the Inventory and Fixed Assets described in 3a and 3b herein on a date agreed upon by the parties.~~
3. ~~Notice of Default. GNC and the Bank agree to provide the other with written notice of default, expiration, termination, satisfaction or cancellation of the Franchise Agreement, Loan, or other agreement between the parties.~~
4. ~~Status of Franchise Agreement. GNC certifies that the Customer's Franchise Agreement is in full force and effect, and GNC has sent no official notice of default to the Customer under the Franchise Agreement that remains uncured on the date hereof.~~
5. ~~Term of Agreement. This Agreement automatically terminates in the event: (a) Termination occurs under the Franchise Agreement or GNC Store Lease; (b) the Loan is paid in full; (c) the Fixed Assets and Inventory no longer form part of the Bank's security; or (d) the SBA no longer has any interest in the Loan.~~
6. ~~Release of GNC by Customer. Customer acknowledges that this is a general release. Customer hereby releases GNC and all of its affiliates and subsidiaries and their respective parents, officers, shareholders, employees, agents, representatives, attorneys, predecessors, successors, or assigns, from any and all past, present, and future claims, demands, actions, causes of action, or damages, whether known or unknown, direct or indirect, foreseen or unforeseen, now existing or hereinafter arising in favor of Customer, directly or indirectly, including, but not limited to, claims which are the subject matter of the Franchise Agreement or any other agreement with GNC, its affiliates, successors or assigns.~~
7. ~~Assignment. This Agreement is not transferable or assignable.~~
8. ~~Applicable Law. This Agreement shall be governed by the laws of the Commonwealth of Pennsylvania, and the forum for any action arising out of, concerning, or in any way relating to this Agreement shall be in state or federal courts in Allegheny County, Pennsylvania, provided that, if there is subject matter jurisdiction, the forum for such action shall be in the federal district courts of the Western District of Pennsylvania.~~
9. ~~**Entire Agreement.** The parties agree that this Agreement constitutes the full, final, and complete agreement of the parties and supersedes all other written or oral exchanges, arrangements, or negotiations between the parties concerning the subject matter of this Agreement. The parties further acknowledge and state that there are no representations, agreements, arrangements, or understandings, oral or written,~~



## EXHIBIT N

### List of Training Instructors

#### Training Instructors

| Name                                    | Subject(s) Taught                           | Experience in the Field (Years*) | Experience with GNC (Years*) |
|---|---|----------------------------------|------------------------------|
| Erik Hoeffs                             | GNC Overview                                | <del>21</del>                    | <del>11</del>                |
| <del>John Schroeder</del>               |   | 23                               | 413                          |
| Donna Wright                            | Vision & Values                             | 4445                             | 4243                         |
| Donna Wright                            | Getting to Know GNC                         | 4445                             | 4243                         |
| <del>Paul Turcotte</del> Talia Burkarth | Information Security                        | 246                              | 7                            |
| Greg McDougall                          | Business Planning                           | 2829                             | 89                           |
| Linda Bugeja                            | Office Organization                         | 4344                             | 1618                         |
| Terry Parker                            | Customer Service & Sales                    | 3738                             | 1516.5                       |
| Donna Wright                            | Compliance                                  | 4445                             | 4243                         |
| Laura Chabrier                          | Loss Prevention                             | 29                               | 25                           |
| Rowdy Durci                             |   | 10                               | 7                            |
| Michael Wardlaw                         |   | 432                              | 228                          |
|   |   | 11                               | 8                            |
|   |   | 5                                | 3                            |
| Steven Sanders                          | POS Training Overview / POS Tablet          | 41                               | 8                            |
| Folajaiye Dania                         |   | 1542                             | 159                          |
|   |   | 16                               | 16                           |
| Persephoni Martin                       | OnBase                                      | 1112                             | 56                           |
| Edgar Carter                            | Credit & Collections                        | 11                               | 8                            |
| James Luteran                           |   | 40                               | 29                           |
| Shannon Kuzman                          |   | 2512                             | 259                          |
|   |   | 41                               | 30                           |
|   |   | 26                               | 26                           |
| <del>Doug Salah</del> Ryan Cotchen      | ADP   | 26 months                        | N/A                          |
| <del>Daniel Moore</del> Todd Harmon     | GNFS  | 923                              | 7.5                          |
| Kim DelGuzzi                            |   | 29                               | 6                            |
| Shellie Houck                           |   | 17.5                             | 17.5                         |
| Cassandra Strotman                      |   | 10                               | 9                            |
|   |   |                                  |                              |
| <del>LaMar McClinton</del>              | JP Morgan Chase                             | 15                               | N/A                          |
| <del>Daniel Holeman</del>               |   | 13                               | N/A                          |
| Dave Florian                            | NutriMarket / How to Order / Transportation | 2324                             | 2324                         |
| Sarah Peters                            | Site Selection & Leases                     | 2627                             | 67                           |
| Tracy Burton                            | Genesis / The Scoop                         | 3840                             | 2930                         |
| Garrett Sweet                           | Product Training                            | 2021                             | 67                           |

| Name  | Subject(s) Taught  | Experience in the Field (Years*)                     | Experience with GNC (Years*)                            |
|---|--|--|---|
| <del>Devin Heath</del><br><a href="#">Melissa Kanzius</a>                 | Recruiting & Hiring  | <del>10</del><br><u>15</u>                           | <del>4</del><br><u>5</u>                                |
| Greg McDougall  | P&L Overview / Margin Calculations                                 | <del>28</del><br><u>29</u>                           | <del>8</del><br><u>9</u>                                |
| Linda Bugeja  | Aurus  | <del>7</del><br><u>10</u>                            | <del>16</del><br><u>18</u>                              |
| Persephoni Martin   | Local Marketing / Social Media / Social Assets / Marketing (Media) | <del>11</del><br><u>12</u>                           | <del>6</del><br><u>7</u>                                |
| Stephen Ross<br>Sid Taylor  | Omni Channel / e-Commerce  | 18<br><del>32</del><br><u>24</u>                     | <del>2</del><br><del>11</del><br><u>18</u><br><u>12</u> |
| Jenna O'Connor<br><a href="#">Jennifer Nordstrom</a>                      | Loyalty and Customer Marketing                                     | <del>23</del><br><u>24</u><br><u>17</u>              | <del>13</del><br><u>14.5</u><br><u>1.5</u>              |
| <del>Jay Fran</del><br><del>John Galla</del><br><a href="#">Greg Hill</a> | Store Experience   | <del>17</del><br><del>22</del><br><u>35</u>          | <del>2</del><br><del>6</del><br><u>7</u>                |
| Alana Medina<br>Bobby Swim  | What to Expect from your DFO Visit                                 | <del>5</del><br><del>8</del><br><u>6</u><br><u>9</u> | <del>5</del><br><del>8</del><br><u>6</u><br><u>9</u>    |
| Todd Fabian   | Business Insurance Requirements                                    | <del>9</del><br><u>10</u>                            | <del>9</del><br><u>10</u>                               |

\* Includes only experience relevant to the subject taught and the Franchisor's and its predecessors' operations

### **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:

| <b>State</b> | <b>Effective Date</b>  |
|--------------|--|
| California   | <a href="#">Not yet effective</a>                                |
| Hawaii       | <a href="#">Not yet effective</a>                                |
| Illinois     | <a href="#">April 27, 2023</a> <a href="#">June 21, 2024</a>     |
| Indiana      | <a href="#">April 29, 2023</a> <a href="#">Not yet effective</a> |
| Maryland     | <a href="#">Not yet effective</a>                                |
| Michigan     | <a href="#">February 17, 2023</a> <a href="#">20, 2024</a>       |
| Minnesota    | <a href="#">June 12, 2023</a> <a href="#">Not yet effective</a>  |
| New York     | <a href="#">April 27, 2023</a> <a href="#">June 21, 2024</a>     |
| North Dakota | <a href="#">June 2, 2023</a> <a href="#">Not yet effective</a>   |
| Rhode Island | <a href="#">July 1, 2023</a> <a href="#">Not yet effective</a>   |
| South Dakota | <a href="#">April 28, 2023</a> <a href="#">Not yet effective</a> |
| Virginia     | <a href="#">May 9, 2023</a> <a href="#">Not yet effective</a>    |
| Washington   | <a href="#">Not yet effective</a>                                |
| Wisconsin    | <a href="#">April 28, 2023</a> <a href="#">June 27, 2024</a>     |

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

**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 GNC Holdings, LLC offers you a franchise, it must provide this disclosure document to you fourteen (14) calendar days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale. New York requires that we give you this disclosure document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship. Michigan requires that we give you this disclosure document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.

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

GNC Holdings, LLC authorizes the agents listed in Exhibit B to receive service of process for it.

The name, principal business address and telephone number of each franchise seller offering the franchise:

- Sharon Z. Knox  
Manager, Market Development  
75 Hopper Place, Suite 501  
Pittsburgh, Pennsylvania 15222  
(412) 288-4600
- \_\_\_\_\_  
\_\_\_\_\_  
75 Hopper Place, Suite 501  
Pittsburgh, Pennsylvania 15222  
(412) 288-4600

Issuance Date: ~~April 27, 2023~~ June 21, 2024

I received a disclosure document dated ~~April 27, 2023~~ June 21, 2024 (see State Effective Dates page immediately preceding these Receipt pages for state registration effective dates) that included the following Exhibits:

(A) List of State Administrators; (B) Agents for Service of Process; (C) Table of Contents of Operations Manual; (D) State Addenda to the Disclosure Document; (E) Franchise Agreement; (F) Area Development Agreement; (G) Product Sales Agreement; (H) Asset Purchase and Sale Agreement; (I) Sublease; (J) P.O.S. License Agreement; (~~J-K~~) Form of General Release; (L) Confidentiality Statement; (~~K-M~~-1) List of Current Franchisees; (~~K-M~~-2) List of Former Franchisees; (~~L-N~~-1) Audited Consolidated Financial Statements of GNC Holdings, LLC as of December 31, 2023 and 2022 and for the year ended December 31, 2023, 2022, and 2021 and period from August 17, 2020 (inception) through December 31, 2020; (M) Subordination Agreement; and (N) List; (N-2) Unaudited Consolidated Financial Statements of GNC Holdings, LLC as of and for the three months ended March 31, 2024; and (O) Training Instructors.

Signed: \_\_\_\_\_

Print Name: \_\_\_\_\_

Date: \_\_\_\_\_

**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.

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

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- |  |   |
|--|---|
| <input type="checkbox"/> Sharon Z. Knox<br>Manager, Market Development<br>75 Hopper Place, Suite 501<br>Pittsburgh, Pennsylvania 15222<br>(412) 288-4600 | <input type="checkbox"/> _____<br>_____<br>75 Hopper Place, Suite 501<br>Pittsburgh, Pennsylvania 15222<br>(412) 288-4600 |
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Signed: \_\_\_\_\_

Print Name: \_\_\_\_\_

Date: \_\_\_\_\_