

FRANCHISE DISCLOSURE DOCUMENT
TBC INTERNATIONAL, LLC

A Kansas Limited Liability Company

~~8647 Hayden Place, Culver City, CA 90232~~ [2261 Market Street, Suite 10533, San Francisco, CA 94114](#)

(310) 598-3691

www.titleboxingclub.com



TITLE BOXING CLUB offers for sale a franchise to establish and operate a boutique fitness studio offering highly specialized fitness boxing classes that incorporate our class framework of boxing, cardio and strength within a welcoming and authentic environment.

The total investment necessary to begin operation of [aone](#) TITLE BOXING CLUB® Fitness Studio franchise is \$448,525 to \$858,539. This includes \$57,000 that must be paid to the franchisor or its affiliate(s).

The total investment necessary to begin operation of [aone](#) TITLE BOXING CLUB® Fitness Studio [franchise under an area development agreement \(“ADA”\)](#) is \$478,525 to ~~\$888,958~~,539. This includes \$87,000 [\(for a 2-pack ADA\)](#), [\\$106,998 \(for a 3-pack ADA\)](#), or [\\$157,000 \(for a 5-pack ADA\)](#) that must be paid to the franchisor or its affiliate(s). The area development fee applicable to each TITLE BOXING CLUB® Fitness Studio will be credited toward the initial franchise fee due under the Franchise Agreement for each TITLE BOXING CLUB® Fitness Studio. To qualify for an Area Development Agreement, you must agree to develop two or more Fitness Studios.

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

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact us [at 8647 Hayden Place, Culver City, CA 90232](#) [2261 Market Street, Suite 10533, San Francisco, CA 94114](#), (310) 598-3691.

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

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

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

.How to Use This Franchise Disclosure Document

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

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

Special Risks to Consider About *This Franchise*

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

1. **Out-of-State Dispute Resolution.** The franchise agreement requires you to resolve disputes with the franchisor by mediation, arbitration and/or litigation only in California. Out-of-state mediation, arbitration, or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to mediate, arbitrate, or litigate with the franchisor in California than in your own state.
2. **Sales Performance Required.** You must maintain minimum sales performance levels. Your inability to maintain these levels may result in loss of any territorial rights you are granted, termination of your franchise, and loss of your investment.
3. **Inventory Control.** You must make inventory and supply purchases even if you do not need them. Your inability to make these purchases or to maintain inventory levels at all times may result in termination of your franchise and loss of your investment.
4. **Mandatory Minimum Payments.** You must make minimum royalty, advertising, and other payments, regardless of your sales levels. Your inability to make the payments may result in termination of your franchise and loss of your investment.
5. **Turnover Rate.** During the last 3 years, a high percentage of franchised outlets (more than 30%) were terminated, not renewed, re-acquired, or ceased operations for other reasons. This franchise could be a higher risk investment than a franchise in a system with a lower turnover rate.
6. **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.

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.

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ITEM 1

THE FRANCHISOR AND ANY PARENTS, PREDECESSORS AND AFFILIATES

Franchisor

To simplify the language in this Franchise Disclosure Document, “TBC” or “we” means TBC INTERNATIONAL, LLC, the franchisor. “You” means the person or entity who buys the franchise. If “you” are a corporation or limited liability company, “you” will include your owners.

TBC is a Kansas limited liability company that was formed on June 10, 2009, whose principal business address is ~~8647 Hayden Place, Culver City, CA 90232-2261~~ [Market Street, Suite 10533, San Francisco, CA 94114](#). Our agents for service of process are disclosed in Exhibit E.

We began offering franchises in January 2010.

Except as disclosed below, we do not operate businesses of the type being offered to you. Except for the operations of BoxUnion® locations and digital at-home subscriptions service described below, we do not do business under any other name nor have we offered franchises in any other line of business. We have no other business activities.

Parent/Predecessor

On December 31, 2020, BoxUnion Holdings, LLC (“Parent”) a Delaware limited liability company, purchased the equity interests of our company. As a result, we became a wholly owned subsidiary of the Parent. Our Parent has a principal place of business at ~~8647 Hayden Place, Culver City~~ [2261 Market Street, Suite 10533, San Francisco, CA 9023294114](#).

Affiliates

Our affiliate, TBCCV, LLC, a California limited liability company formed on February 23, 2023, owns and operates a TITLE BOXING CLUB® Fitness Studio located in Chula Vista, CA,. Our affiliate’s principal address is ~~8647 Hayden Place, Culver City, CA 90232-2261~~ [Market Street, Suite 10533, San Francisco, CA 94114](#). Our affiliate began operating the Chula Vista, CA location in May 2023. Our affiliate is a subsidiary of our Parent.

Our affiliate, TBC Pensacola, LLC, a Florida limited liability company formed on February 23, 2023, owns and operates TITLE BOXING CLUB® Fitness Studio, located in Pensacola, Florida. Our affiliate’s principal address is ~~8647 Hayden Place, Culver City, CA 90232-2261~~ [Market Street, Suite 10533, San Francisco, CA 94114](#). Our affiliate began operating the Pensacola, FL location in January 2022. Our affiliate is a subsidiary of our Parent.

Our affiliate, TBC Allen, LLC, a Texas limited liability company formed on December 27, 2022, owns and operates TITLE BOXING CLUB® Fitness Studio, located in Allen, Texas. Our affiliate’s principal business address is ~~8647 Hayden Place, Culver City, CA 90232-2261~~ [Market Street, Suite 10533, San Francisco, CA 94114](#). Our affiliate began operating the Allen location in January 2023. Our affiliate is a subsidiary of our Parent.

Our affiliate, TBC Plano LLC, a Texas limited liability company formed on July 31, 2023, owns and operates a TITLE BOXING CLUB® Fitness Studio, located in Plano, Texas. Our affiliate’s principal business address is ~~8647 Hayden Place, Culver City, CA 90232-2261~~ [Market Street, Suite 10533, San Francisco, CA 94114](#). Our affiliate began operating the Plano location in November 2023. Our affiliate is a subsidiary of our Parent.

Our affiliate, TBC Edina LLC, a Minnesota limited liability company formed on August 4, 2023, owns and operates a TITLE BOXING CLUB® Fitness Studio, located in Edina, Minnesota. Our affiliate’s principal business address is ~~8647 Hayden Place, Culver City, CA 90232-2261~~ [Market](#)

[Street, Suite 10533, San Francisco, CA 94114](#). Our affiliate began operating the Edina location in September 2023. Our affiliate is a subsidiary of our Parent.

Our affiliate, TBC Woodbury LLC, a Minnesota limited liability company formed on June 6, 2023, owns and operates a TITLE BOXING CLUB® Fitness Studio, located in Woodbury, Minnesota. Our affiliate's principal business address is [~~8647 Hayden Place, Culver City, CA 90232~~ 2261 Market Street, Suite 10533, San Francisco, CA 94114](#). Our affiliate began operating the Woodbury location in June 2023. Our affiliate is a subsidiary of our Parent.

Our affiliate, BoxUnion Santa Monica, LLC a California limited liability company formed on May 6, 2016, owns and operates a BoxUnion® boutique fitness studio in Santa Monica, California. Our affiliate's principal business address is [~~1755 Ocean Avenue, Santa Monica, CA 90401~~ 2261 Market Street, Suite 10533, San Francisco, CA 94114](#). Our affiliate began operating the Santa Monica location in April 2017.

Our affiliate, BoxUnion Sherman Oaks, LLC, a California limited liability company formed on March 1, 2018, owns and operates a BoxUnion® boutique fitness studio in Sherman Oaks, California. Our affiliate's principal business address is [~~14006 Riverside Drive~~ 2261 Market Street, Suite 25, Los Angeles 10533, San Francisco, CA 94423 94114](#). Our affiliate began operating the Sherman Oaks location in May 2021.

Our affiliate, BoxUnion WEHO, LLC, a California limited liability company formed on July 24, 2017, owns and operates a BoxUnion® boutique fitness studio in Los Angeles, California. Our affiliate's principal business address is [~~120 North Robertson Boulevard, Space L, Los Angeles, CA 90048~~ 2261 Market Street, Suite 10533, San Francisco, CA 94114](#). Our affiliate began operating this location in January 2019.

Our affiliate, BoxUnion Services, LLC, a California limited liability company formed on December 18, 2017, owns and licenses certain intellectual property in the fitness boxing industry. Our affiliate's principal business address is [~~1755 Ocean Ave, Santa Monica CA 90401~~ 2261 Market Street, Suite 10533, San Francisco, CA 94114](#). Our affiliate began operating the digital subscription service in April 2020.

Our affiliate Box Fit Digital, LLC a Delaware limited liability company formed on April 30, 2021, owns and operates digital at-home subscription services in the fitness boxing industry. Our affiliate's principal business address is [~~8647 Hayden Place, Culver City, CA 90232~~ 2261 Market Street, Suite 10533, San Francisco, CA 94114](#).

Our affiliate, CLR Solutions, LLC, a Kansas limited liability company formed on September 14, 2011, provides certain services to our franchisees as further disclosed in Item 8. Our affiliate's principal business address is [~~5360 College Blvd., Suite 1, Overland Park, Kansas 66211~~ 2261 Market Street, Suite 10533, San Francisco, CA 94114](#).

Our affiliate, CLR Marketing Solutions, LLC, a California limited liability company formed on December 1, 2023, may begin providing certain optional marketing services to our franchisees. Our affiliate's principal business address is [~~8647 Hayden Place, Culver City, CA 90232~~ 2261 Market Street, Suite 10533, San Francisco, CA 94114](#).

Description of the Franchise

We began offering franchises to establish and operate TITLE BOXING CLUB® Fitness Studios (the "Fitness Studio" or "Boutique Fitness Studios") under the federally registered trademark TITLE BOXING CLUB® (the "Licensed Marks") and the System, according to the terms of the Franchise Agreement and the Area Development Agreement (defined below) in January 2010.

The franchise offered is for the right to establish and operate a Fitness Studio offering highly specialized fitness boxing classes that incorporate TITLE Boxing Club's class framework of boxing,

NATURE OF EXPENSE	AMOUNT¹	METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS MADE
Rent (3 months) ⁹	\$0 to \$63,000	As incurred	As incurred	Lessor of premises
Business Equipment	\$2,000 to \$4,000	As incurred	As incurred	Vendors and suppliers
Office Supplies and Cleaning Supplies	\$1,500 to \$2,500	As incurred	As incurred	Various suppliers
Business Licenses	\$500 to \$3,000	As incurred	As incurred	State and Local Authorities
Insurance - 3 months	\$2,000 to \$3,000	As incurred	As incurred	Insurance vendor
Music Licensing Fee ¹⁰	\$1,800 to \$2,200	As incurred	Annually	Vendors
Site Selection Assistance/ Consulting ¹¹	\$0 to \$2,000	As agreed	As incurred	Our Approved Supplier for site selection assistance or other third-party provider
Additional funds – 3 months ¹²	\$43,000 to \$83,000	As incurred	As incurred	Employees, suppliers, utilities, landlord
Total	\$448,525 to \$858,539			

Notes: All payments which you make directly to us are nonrefundable. This may or may not be true for payments made to third parties.

1. The initial franchise fee is \$49,500. The initial franchise fee is reduced to \$33,166 for each Franchise Agreement that Franchisee simultaneously signs for the development of three or four Fitness Studios or when Franchisee signs an Area Development Agreement to develop and open three or four Fitness Studios. The initial franchise fee is reduced to \$29,900 for each Franchise Agreement that Franchisee simultaneously signs for the development of five or more Fitness Studios or when Franchisee signs an Area Development Agreement to develop and open five or more Fitness Studios.
2. You (and your general manager if your general manager is running presales) must attend and successfully complete, ~~to our satisfaction,~~ Pre-Sales Training. The cost for the Pre-Sales Training program is \$1,500. In addition, you must pay all wages incurred by you and your employees in connection with Pre-Sales Training. In addition, you must pay all costs of travel, flights, food, and lodging incurred by you and your employees to attend Pre-Sales Training at a location designated by us.

3. You and your general manager must attend and successfully complete, ~~to our satisfaction,~~ Launch Training. The cost for the Launch Training program is \$6,000. In addition, you must pay all wages incurred by you and your employees in connection with the Launch Training.
4. In the operation of your Fitness Studio, you must purchase the items contained in the Standard Initial Package unless we approve a variance to the Standard Initial Package based on unique circumstances. Exhibit L to the FDD describes components of the Standard Initial Package for a 3500 square foot club. The components and cost of the Standard Initial Package ranges from \$96,674 to \$106,760, depending on the square footage of your Fitness Studio; the ranges that are provided above are for a 2,500 to 3,500 square foot club. The actual amount you pay for the Initial Package will be determined by the layout of your fitness Studio and the actual square footage of your Fitness Studio. To the extent our preferred vendors do not charge sales tax, you are required to pay any sales or use tax that may be due. You may also incur costs for the installation of the Standard Initial Package depending upon whether or not you provide your own labor, use TBCI labor where applicable, or you hire a third-party installation team. The fees associated with the Standard Initial Package are not refundable under any circumstance. The Standard Initial Package price may increase if vendor prices increase. If we permit you to buy used equipment from other TITLE Boxing Clubs, then your costs for the Initial Package could be lower.
5. The cost of delivery of the Standard Initial Package may vary based on distance to your location from our vendors.
6. Title Boxing Clubs are typically located in commercially zoned shopping areas. Due to the costs of land acquisition and new construction, we expect you will lease the premises. Your actual leasehold improvement costs cannot be estimated with complete accuracy, and the range of costs can vary greatly. This estimate is based on franchisees' build-out experience since 2019 in certain markets. The pricing in your market may be higher. This estimate presumes that the facility is in general "white box" condition prior to construction. A facility in white box condition generally includes a finished exterior; the minimal plumbing necessary for gas and water service; functioning bathrooms; an installed electrical panel; basic lighting; and a central air conditioning and heating system with concealed ductwork. The typical size of Fitness Studios must accommodate a minimum of 30 bags to a maximum of 48 bags and square footage in a range from approximately 2,500 sq. ft. to 3,500 sq. ft. Your costs will vary depending on the size of the premises and the status of the premises at the time you begin your improvements and whether your landlord will pay any of the costs of improvements. Your costs will also vary based on the labor costs in your market. Some franchisees are able to negotiate the costs of tenant improvements with landlords which provide that the landlord will pay some ~~or all of these~~ the upfront costs ~~which may result in zero upfront cash outlay for such franchisees.~~ This range does not include any cost to purchase land or any cost to prepare the site for construction. We do not estimate the costs associated with the acquisition of real estate if you decide to purchase land. These costs do not reflect unionized labor. Depending upon the market in which your Fitness Studio will be located, the costs of leasehold improvements and new construction costs will vary greatly. Some franchisees have incurred leasehold improvement costs in excess of the amounts listed in the chart; ~~for example in 2018, a franchisee in New York incurred leasehold improvements costs of \$725,000 for a 3566 square foot club.~~
7. Includes purchase and installation of signage and may vary by marketplace.
8. This estimate includes the costs of your security and utilities deposits. These are only estimates and will vary depending on the area of your Fitness Studio, what you are able to negotiate with you landlord, and your credit history and financial position. These deposits may be refundable.

9. Rent amounts vary widely by market, and the amount could be more than \$63,000. Some franchisees may be successful in negotiating zero rent for the first three months of their leases with their landlord as reflected in the low estimate above. However, the circumstances under which this may happen are between the franchisee and the landlord.
10. You are required to acquire licensing rights from our designated third-party music vendors and pay periodic licensing fees to those vendors. Failure to obtain such licensing rights is a material breach of the franchise agreement.
11. You will pay \$0 for site selection assistance to us so long as you use our approved vendor for site selection services. Should you elect to utilize your own real estate broker to assist you with site selection, you will be required to pay us \$2,000 to cover the coordination of your site approval with our real estate committee. In addition to this \$2,000, you could also need to pay your own real estate broker.
12. This estimates your initial expenses for three months from the date you open for business. These expenses include estimates for payroll costs, marketing (other than the \$25,000 in preopening marketing), utilities, royalty fees, and other fees described in Item 6 of the FDD. In determining these amounts, Franchisor relied on Franchisor's review of certain information provided by franchisees, as well as Franchisor's affiliates' experience operating corporate locations. Your amounts may be higher. These estimates do not include any estimates for debt service.

To compile these estimates, we relied on the experience of our affiliates and on certain information provided by our franchisees who have previously opened Fitness Studios. ~~You should review these figures carefully with your business advisor before deciding to acquire the franchise.~~ We do not offer financing directly or indirectly for any part of the initial investment.

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Area Development Agreement

ITEM	AMOUNT ¹	METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS MADE
Area Development Fee	\$79,500 - \$149,500	Lump Sum	At signing of Area Development Agreement	TBC International
Initial Investment to Open One Initial Fitness Studio ²	\$399,025 to \$809,039 5039		Totals from single lease fitness studio of this Item 7 less the \$49,500 Initial Franchise Fee.	
Grand Total ³	\$478,525 to \$888,539 (2 Units) \$498,523 to \$908,537 (3 Units) \$548,525 to \$958,539 (5 Units)		This is the total estimated initial investment to enter into an Area Development Agreement for the right to own a total of two to five Fitness Studios, as well as the estimated initial costs to open and begin operating <u>one</u> Fitness Studio for the first three months (as described more fully in the “Single Leased Fitness Studio” chart above).	

1. The initial area development fee is fully described in Item 5. According to the Area Development Agreement, if you agree to open two Fitness Studios, you must pay us an area development fee of \$79,500 (2 x \$39,750 per Fitness Studio to be developed) at the time you sign the Area Development Agreement. If you agree to open three Fitness Studios, you must pay us an initial area development fee of \$99,498 (3 x \$33,166 per Fitness Studio to be developed) at the time you sign the Area Development Agreement. If you agree to open four Fitness Studios, you must pay us an initial area development fee of \$132,664 (4 x \$33,166 per Fitness Studio to be developed) at the time you sign the Area Development Agreement. If you agree to open five or more Fitness Studios, you must pay us an initial area development fee of \$149,500 (5 x \$29,900 per Fitness Studio to be developed) at the time you sign the Area Development Agreement.
2. This range represents the total estimated initial investment required to open the one initial Fitness Studio you agreed to open and operate under the Franchise Agreement and does not include any of the costs you will incur in opening any additional Fitness you agree to develop under your Development Agreement. This amount is calculated by taking the low and high ranges from the Single Leased Fitness Studio chart above and subtracting the initial franchise fee amount of \$49,500.
3. All payments which you make directly to us under the Area Development Agreement are nonrefundable.

To compile these estimates, we relied on the experience of our affiliates and on certain information provided by our franchisees who have previously opened Fitness Studios. ~~You should review these figures carefully with your business advisor before deciding to acquire the franchise.~~ We do not offer financing directly or indirectly for any part of the initial investment.

OBLIGATION	SECTION IN AGREEMENT	ITEM IN DISCLOSURE DOCUMENT
k. Territorial development and sales quotas	Section 4 in Area Development Agreement.	Item 12
l. Ongoing product/service purchases	Section 12 in Franchise Agreement.	Item 8
m. Maintenance, appearance and remodeling requirements	Section 12 in Franchise Agreement.	Item 11
n. Insurance	Section 13 in Franchise Agreement.	Items 7 and 8
o. Advertising	Section 14 in Franchise Agreement.	Items 6 and 11
p. Indemnification	Section 12 in Area Development Agreement. Section 10 in Franchise Agreement.	Item 6
q. Owner's participation/management/staffing	Section 7 in Area Development Agreement. Section 12 in Franchise Agreement. (subject to state law)	Items 11 and 15 (subject to state law)
r. Records/reports	Section 19 in Area Development Agreement. Sections 11 and 15 in Franchise Agreement. (subject to state law)	Item 11 (subject to state law)
s. Inspections/audits	Section 19 in Area Development Agreement. Sections 15 and 16 in Franchise Agreement.	Items 6 and 11
t. Transfer	Section 16 in Area Development Agreement. Section 17 in Franchise Agreement.	Items 6 and 17
u. Renewal or extension	Section 4 in Area Development Agreement Section 18 in Franchise Agreement.	Item 17
v. Post-termination obligations	Section 15 in Area Development Agreement. Section 20 in Franchise Agreement.	Item 17

TBCI will conduct an initial training program, currently consisting of Pre-Opening Training, Pre-Sales Training, and Launch Training (and subject to change). This initial training currently consists of instruction in operations, sales, and marketing, and is subject to change. This initial training currently consists of virtual courses and on-the-job training furnished at one of our affiliate-owned Fitness Studios, at your Fitness Studio, or at another location designated by us, and is subject to change.

You must attend and successfully complete, ~~to our satisfaction, the~~ Pre-Opening Training (if offered by us) within two weeks after signing the Franchise Agreement. You (and your general manager if your general manager is running pre-sales) must attend and successfully complete, ~~to our satisfaction, the~~ Pre-Sales Training (if offered by us) at least one month before the opening of your Fitness Studio. You, your general manager, and your head coach must attend and successfully complete, ~~to our satisfaction, the~~ Launch Training (if offered by us) at least two weeks before the opening of your Fitness Studio.

If you purchase an existing operating TITLE BOXING CLUB Fitness Studio, you and your general manager must attend and successfully complete, ~~to our satisfaction, the~~ Launch Training (if offered) at least two weeks before taking over operations, and complete any other training we require.

You must pay us a one-time Pre-Sales Training Fee in the amount of \$1,500 at the time you sign the Franchise Agreement. You must also pay us a one-time Launch Training Fee in the amount of \$6,000 at the time you sign the Franchise Agreement. (If you purchase an existing operating TITLE BOXING CLUB Fitness Studio, you may not be required to pay the \$1,500 Pre-Sales Training Fee if you are not required to attend Pre-Sales Training.)

We offer the initial training program throughout the year as needed. You must provide us at least one-month prior notice of your request to attend the initial training program.

If at any time during the initial training program, it appears to us that a proposed general manager is not able to successfully complete the training ~~to our satisfaction~~, then that person will be removed from the initial training and you must designate a successor general manager who must attend and successfully complete the initial training program.

TRAINING PROGRAM

The current outline of the initial training program for franchisees at new locations is as follows, and is subject to change. It currently consists of Pre-Opening Training, Pre-Sales Training, and Launch Training:

Pre-Opening Training (must be completed by Franchisee within two weeks after signing the Franchise Agreement)

Subject	Hours of Classroom Training	Hours of On-The-Job Training	Location
The Brand and Product	0.5	0	Virtual (Pre-recorded course)
Site Selection, Club Build Out, Design	2	0	Virtual (Pre-recorded course)

Total Hours	3.5	16	
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Launch Training (must be completed by Franchisee, Franchisee’s General Manager, and Franchisee’s Head Coach at least two weeks prior to the opening of your Fitness Studio)

[If you purchase an existing operating TITLE BOXING CLUB Fitness Studio, you and your general manager must attend and successfully complete, ~~to our satisfaction, the~~ Launch Training at least two weeks before taking over operations, and must complete any other training we require.]

Subject	Hours of Classroom Training	Hours of On-The-Job Training	Location
Sales Training (booking calls, Pre-class & Post class)	1.5	0	Virtual (pre-recorded course)
FIGHTER Framework	0.5	0	Virtual (pre-recorded course)
Marketing Foundations	1	0	Virtual (pre-recorded course)
Lead Management & Referrals	0.5	0	Virtual (pre-recorded course)
Data and Dashboard	1	0	Virtual (pre-recorded course)
Coach Training	0	16	At franchisee’s studio location or another location we designate
Sales FIGHTER Training	0	16	At franchisee’s studio location or another location we designate
Post-Opening Marketing Calendar	1	4	Virtual (videoconference call)

MARK	OWNER	STATUS	REGISTRATION NUMBER	REGISTRATION DATE
HIT IT HARD	Title Boxing, LLC	Registered	3,869,723	November 2, 2010
TITLE BOXING CLUB	Title Boxing, LLC	Registered	3,527,319	November 4, 2008
T and Design	Title Boxing, LLC	Registered	2,433,968	March 6, 2001

The Licensed Marks are owned by Title Boxing, LLC. Title Boxing, LLC has granted TBC the right to use the Licensed Marks and sublicense the use of the Licensed Marks to franchisees according to a License Agreement dated August 25, 2009. The initial term of the License Agreement is 40 years, but the License Agreement automatically renews for additional consecutive five-year terms unless at least six months' notice of termination is given.

In addition to the Licensed Marks above, we own a pending trademark application for the following:

MARK	OWNER	STATUS	SERIAL NUMBER	APPLICATION DATE
BOX AWAY THE BULLSH*T	TBC International, LLC	Applied for	97,673,053	November 11, 2022

[We do not have a federal registration for BOX AWAY THE BULLSH*T. Therefore, BOX AWAY THE BULLSH*T does not have many legal benefits and rights as a federally-registered trademark. If our right to use the BOX AWAY THE BULLSH*T trademark is challenged, you may have to change to an alternative trademark, which may increase your expenses.](#)

All affidavits or renewals will be filed in a timely manner. Termination of the License Agreement will not affect existing Franchise Agreements. No other agreement limits our right to use or license the Licensed Marks.

You must follow our rules when you use the Licensed Marks, including giving proper notices of trademark and service mark registrations and obtaining fictitious or assumed name registrations required by law. You may not use any Licensed Mark in your corporate or legal business names; with modifying words, terms, designs or symbols (except for those we license to you); and sell in any unauthorized services or products; or as part of any domain name, home page, electronic address or otherwise in connection with a website.

There are no currently effective material determinations of the PTO, the Trademark Trial And Appeal Board, the trademark administrator of any state, or any court, and no pending infringement, opposition, or cancellation proceedings or material litigation, involving the principal Licensed Marks. We do not actually know of either superior prior rights or infringing uses that could materially affect your use of the Licensed Marks in any state.

You must notify us immediately of any apparent infringement or challenge to your use of any Licensed Mark, or of any person's claim of any right to any Licensed Mark, and you may not communicate with any person other than us, our attorneys, and your attorneys, regarding any infringement, challenge, or claim. We and Title Boxing, LLC may take the action we deem appropriate (including no action) and control exclusively any litigation, PTO proceeding, or other

you and the TITLE Boxing. If a general manager supervises the Fitness Studio, you must remain active in overseeing the operations of the Fitness Studio conducted under the supervision of the general manager.

We require you and the designated general manager of your fitness boxing club to attend and successfully complete, ~~to our satisfaction,~~ initial training. You or the designated general manager must complete any post-opening training programs that we develop in the future, and as such, must make reasonable efforts to attend all in-person meetings and remote meetings (such as telephone conference calls), including regional or national brand conferences, that we require. Additionally, you or the designated general manager should also make reasonable efforts to attend any recommended trainings, remote meetings, and any other support services offered on behalf of TITLE Boxing Club.

We highly recommend all owners who have a designated general manager operating their fitness boxing club, attend as many required and recommended trainings and support services as well. At times, we may recommend you or your designated general manager attend specific support services or trainings.

We require you to inform us of all staffing changes involving the designated general manager of your fitness boxing club. Should the designated general manager change, or should this person be reduced to part-time or exercise any extended absence from the business longer than thirty days, you must keep us informed at all times of the identity of your supervising employees acting as manager. Your manager need not have an equity interest in the franchise entity, but they must agree to preserve confidential information to which they have access and to not compete with you, us and other franchisees and make such commitments in writing. We may regulate the form of agreement that you use and we may be a third-party beneficiary of that agreement with independent enforcement rights.

If you are in a corporation, limited liability company, or partnership, your owners must personally guaranty your obligations under the Franchise Agreement and the Area Development Agreement and agree to be bound personally by every contractual provision, whether containing monetary or non-monetary obligations, including the covenants not to compete. This “Guaranty and Assumption of Obligations” is included as an exhibit to the Franchise Agreement.

[Your spouse must personally guaranty the franchisee’s obligations under the Franchise Agreement and the Area Development Agreement and agree to be bound personally by every contractual provision, whether containing monetary or non-monetary obligations, including the covenants not to compete. This “Guaranty and Assumption of Obligations” is included as an exhibit to the Franchise Agreement. Your spouse must also execute the “Confidentiality Agreement and Ancillary Covenants Not To Compete” that is included as an exhibit to the Franchise Agreement.](#)

ITEM 16

RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You must sell only the products and services, including the specified fitness classes that we have authorized and approved. You must price the initial and monthly fees charged to members of your Fitness Studio in compliance with our requirements for pricing of the initial and ongoing memberships as stated in our Operations Manual. You acknowledge and agree that the uniformity of services and of the respective fees charged for the services at all franchised TITLE BOXING CLUB

2023 Revenue for Company-Owned Fitness Studios in Operation at the End of 2023:

	Company-Owned Fitness Studios In Operation at end of 2023	Number Above/Number Below
Average Revenue	\$355,095	3/3
Median Revenue	\$352,870	3/3
High Revenue	\$460,781	NA
Low Revenue	\$255,072	NA
Number of Franchisor-Owned Fitness Studios	6	NA

Other than the preceding financial performance representation, TBC International, LLC does not make any financial performance representations. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management by contacting Felicia Alexander, our Chief Revenue Officer, at [8647 Hayden Place Culver City, CA 902322261 Market Street, Suite 10533, San Francisco, CA 94114](mailto:falexander@tbcinternational.com), (310) 598-3691, the Federal Trade Commission, and the appropriate state regulatory agencies.

**ITEM 20
OUTLETS AND FRANCHISEE INFORMATION**

Table No. 1

**System Wide Outlets
For years 2021-2023**

Column 1 Outlet Type	Column 2 Year	Column 3 Outlets at the Start of the Year	Column 4 Outlets at the End of the Year	Column 5 Net Change
Franchised	2021	153	139	-14
	2022	139	127	-12
	2023	127	107	-20
Company-Owned	2021	2	2	0
	2022	2	2	0
	2023	2	6	4
Total Outlets	2021	155	141	-14
	2022	141	129	-12
	2023	129	113	-16

Table No. 5

Projected Openings as of December 31, 2023

State	Franchise Agreements Signed but Outlets Not Opened	Projected New Franchised Outlets in The Fiscal Year	Projected New Company Owned Outlets in the Next Fiscal Year
California	1	1	0
Colorado	1	1	0
Connecticut	1	0	0
Illinois	1	0	0
Massachusetts	1	0	0
Minnesota	1	0	0
Ohio	1	0	0
Pennsylvania	1	0	0
Texas	0	0	0
Utah	1	1	0
Virginia	1	0	0
Washington	1	0	0
TOTAL	11	3	0

Exhibit H lists the names of our operating franchisees and the addresses and telephone numbers of their Fitness Studio as of December 31, 2023.

Exhibit H-1 lists the names of our franchisees who have signed but have not opened their Fitness Studio as of December 31, 2023.

Listed below are the franchisees who have had an outlet terminated, canceled, not renewed, transferred, or otherwise voluntarily or involuntarily ceased to do business under the franchise agreement during the most recent completed fiscal year or who has not communicated with the franchisor within 10 weeks of the disclosure document issuance date.

Contact	Street Address	City	ST	Zip	Mobile
Corey & Chris Boda	669 Santa Anita Dr.	Chula Vista	CA	91914	916-337-4847
Celeste Tripician	14570 Hamlin Blvd.	Loxahatchee	FL	33470	(754) 224-6035
Michelle Berrard	15312 Black Lion Way	Winter Garden	FL	34787	(321) 231-5021
Graham Goy	1135 South Delano Court, E327	Chicago	IL	60595	(773) 682-0295
William Lulis	2153 North Bell Ave.	Chicago	IL	60647	(708) 805-0060
Kevin Reilly & Paige Hopkins	355 Kenilworth Ave.	Kenilworth	IL	60043	(847) 421-8094
Jason Sanchez	12950 W. 52 nd Terrace	Shawnee	KS	66216	281-222-2458

**TITLE BOXING CLUB®
AREA DEVELOPMENT AGREEMENT**

THIS AREA DEVELOPMENT AGREEMENT (the “Agreement”), is made and entered into this day _____ by and between TBC INTERNATIONAL, LLC, a limited liability company formed and operating under the laws of the State of Kansas whose principal business address is 8647 Hayden Place, Culver City, CA 90232 2261 Market Street, Suite 10533, San Francisco, CA 94114 (“Franchisor”) and _____, a _____ formed and operating under the laws of the State of _____, or _____, an individual, whose principal business address is _____, (“Developer”).

WITNESSETH:

WHEREAS, as the result of the expenditure of time, effort and expense, Franchisor has created a unique and distinctive proprietary system (hereinafter the “System”) for the establishment, development and operation of TITLE BOXING CLUB® Fitness Studios (the “Fitness Studio” or “Fitness Studios”) that offer total body workouts that are effective and fun, taught by professional boxers, kick-boxers and mixed martial artists;

WHEREAS, Franchisor owns the System and the right to use the Licensed Marks (as defined below) and grants the right and license to others to use the System and the Licensed Marks;

WHEREAS, the distinguishing characteristics of the System include, without limitation, interior design, color scheme and equipment; uniform standards, specifications and procedures for the unique boxing, kick-boxing and martial arts classes; specifications and procedures for operations; uniformity of services and products offered; procedures for inventory management and financial control; training assistance; and advertising and marketing programs, all of which may be changed, improved and further developed by Franchisor;

WHEREAS, Franchisor identifies the System and licenses the use of certain trade names, service marks, trademarks, emblems and indicia of origin, including the mark TITLE BOXING CLUB® and other trade names, service marks and trademarks as are now designated and may hereafter be designated by Franchisor in writing for use with the System (the “Licensed Marks”);

WHEREAS, Developer desires the right to develop, own and operate TITLE BOXING CLUB FITNESS STUDIOS under the System in a defined geographic area under a Development Schedule attached to this Agreement; and

WHEREAS, Developer acknowledges that ~~he has conducted an independent investigation of the business contemplated by this Agreement and recognizes that,~~ like any other business, the nature of the business conducted as a TITLE BOXING CLUB Fitness Studio may evolve and change over time, ~~that an investment in a TITLE BOXING CLUB Fitness Studio involves a business risk and the success of the venture is largely dependent upon Developer’s business abilities and efforts;~~

20. **NOTICES AND PAYMENTS**

All written notices and reports permitted or required to be delivered by the provisions of this Agreement or of the Operations Manual shall be deemed so delivered at the time delivered by hand or by e-mail with receipt confirmed by the receiving party or one (1) business day after sending by overnight courier with delivery confirmed and addressed to the party to be notified at its most current address of which the notifying party has been notified. The following addresses for the parties shall be used unless and until a different address has been designated by written notice to the other party:

Notices to Franchisor:

TBC INTERNATIONAL LLC
~~8647 Hayden Place,~~
~~Culver City~~ 2261 Market Street, Suite 10533
San Francisco, CA ~~90232~~
94114
ATTN: CEO
_____legal@teamtitleboxingclub.com

with copy to:

John D. Moore, Esq.
Husch Blackwell LLP
4801 Main Street, Suite 1000
Kansas City, Missouri 64112
(816) 983-8115

Notice to Developer:

ATTN: _____

21. **MEDIATION**

THE PARTIES AGREE TO SUBMIT ANY CLAIM, CONTROVERSY OR DISPUTE ARISING OUT OF OR RELATING TO THIS AGREEMENT (AND EXHIBITS) OR THE RELATIONSHIP CREATED BY THIS AGREEMENT TO NON-BINDING MEDIATION BEFORE BRINGING A CLAIM, CONTROVERSY OR DISPUTE IN AN ARBITRATION OR BEFORE ANY OTHER TRIBUNAL. THE MEDIATION IS TO BE CONDUCTED THROUGH EITHER AN INDIVIDUAL MEDIATOR OR A MEDIATOR APPOINTED BY A MEDIATION SERVICES ORGANIZATION OR BODY, EXPERIENCED IN THE MEDIATION OF DISPUTES BETWEEN FRANCHISORS AND DEVELOPERS, AGREED UPON BY THE PARTIES AND, FAILING AN AGREEMENT

F. GOVERNING LAW

To the extent not inconsistent with applicable law, this Agreement and the offer and sale of a franchise is governed by the laws of the State of Kansas, which laws shall prevail in the event of any conflict of laws.

G. EXCLUSIVE JURISDICTION

With respect to any claims, controversies or disputes which are not finally resolved through mediation or as otherwise provided in this Agreement, Developer hereby irrevocably submits itself to the state courts of the state and county where Franchisor is then headquartered and the Federal District Court having jurisdiction over the same geographical area. Developer hereby agrees that service of process may be made upon it in any proceeding relating to or arising out of this Agreement or the relationship created by this Agreement by any means allowed by the law of the state where Franchisor is then headquartered or Federal Law. Developer further agrees that venue for any proceeding relating to or arising out of this Agreement shall be in the county and state where Franchisor is then headquartered; provided, however, with respect to any action (i) for money owed, (ii) for injunctive or other extraordinary relief, or (iii) involving possession or disposition of, or other relief relating to, real property, Franchisor may bring such action in any state or Federal District Court which has jurisdiction.

Developer and Franchisor acknowledge that the execution of this Agreement and the acceptance of the terms of the parties occurred in ~~Culver City~~San Francisco, California, and further acknowledge that the performance of certain obligations of Developer arising under this Agreement, including, but not limited to, the payment of money due under this Agreement shall occur in ~~Culver City~~San Francisco, California.

H. VARIANCES

Developer acknowledges that Franchisor has and may at different times approve exceptions or changes from the uniform standards of the System in Franchisor's absolute sole discretion, which Franchisor deems desirable or necessary under particular circumstances. Developer understands that he has no right to object to or automatically obtain such variances, and any exception or change must be approved in advance from Franchisor in writing. Developer understands existing Developers may operate under different forms of agreements and that the rights and obligations of existing Developers may differ materially from this Agreement.

I. WAIVER OF JURY TRIAL

The parties hereby waive trial by jury in any action, proceeding or counterclaim, whether at law or in equity, in any matter arising out of or in any way connected with this Agreement. All litigated disputes shall be tried to the court sitting without a jury. Developer waives, to the fullest extent permitted by law, any right to assert any claim against Franchisor on behalf of, or as a member of, a class.

J. BINDING EFFECT

This Agreement is binding upon the parties of this Agreement and their respective executors, administrators, heirs, assigns and successors in interest, and shall not be modified except by written agreement signed by both Developer and Franchisor.

K. CONSTRUCTION/INTEGRATION CLAUSE

This Agreement, all exhibits to this Agreement and all ancillary agreements executed contemporaneously with this Agreement constitute the entire agreement between the parties with reference to the subject matter of this Agreement and supersede any and all prior negotiations, undertakings, representations, and agreements; provided, however, that nothing in this or any related agreement is intended to disclaim the representations Franchisor made in the Franchise Disclosure Document that Franchisor furnished to Developer. Developer acknowledges that Developer is entering into this Agreement, and all ancillary agreements executed contemporaneously with this Agreement, as a result of Developer's own independent investigation of the franchised business and not as a result of any representations about Franchisor made by Franchisor's shareholders, officers, directors, employees, agents, representatives, independent contractors, attorneys, or Developers, which are contrary to the terms set forth in this Agreement or of any franchise disclosure document, offering circular, prospectus, or other similar document required or permitted to be given to Developer pursuant to applicable law.

~~Developer hereby acknowledges and further represents and warrants to Franchisor that:~~

~~1. — Developer has placed no reliance on any oral or written statements, whether referred to as representations, warranties, inducements, or otherwise, which are not contained in this Agreement or in the Franchise Disclosure Document;~~

~~2. — Developer has entered into this Agreement after making an independent investigation of Franchisor's operations and the System;~~

~~3. — Franchisor has not made any guarantee or provided any assurance that the business location will be successful or profitable regardless of whether Franchisor may have approved of the franchise or site location;~~

~~4. — Developer has (a) read this Agreement in its entirety and understands its contents; (b) been given the opportunity to clarify any provisions that Developer did not understand and (c) had the opportunity to consult with professional advisors regarding the operation and effect of the Agreement and the operation of the System;~~

~~5. — Developer has, together with its advisors, sufficient knowledge and experience in financial and business matters to make an informed decision with respect to the franchise offered by Franchisor; and~~

~~6. — Developer has received a copy of the Franchise Disclosure Document not later than the earlier of the first personal meeting held to discuss the sale of a franchise, or fourteen (14) calendar days before execution of this Agreement or fourteen (14) calendar days before any payment of any consideration.~~

~~Except as may have been disclosed at Item 19 of Franchisor's Franchise Disclosure Document, Developer represents and warrants to Franchisor that no claims, representations, or warranties regarding the earnings, sales, profits, success or failure of the franchised business have been made to Developer and no such claims, representations or warranties have induced Developer to enter into this Agreement.~~

Except for those changes permitted to be made unilaterally by Franchisor, no amendment, change or variance from this Agreement is binding on either party unless mutually agreed to by the parties and executed by their authorized officers or agents in writing.

24. **CAVEAT**

~~A.— The success of the business venture contemplated to be undertaken by this Agreement is speculative and depends, to a large extent, upon the ability of the Developer as an independent business person, and the active participation of Developer in the daily affairs of the business as well as other factors. Franchisor does not make any representation or warranty, express or implied, as to the potential success of the business venture contemplated hereby.~~

~~B.— Developer acknowledges that it has entered into this Agreement after making an independent investigation of Franchisor's operations and not upon any representation as to gross sales, volume, potential earnings or profits which Developer in particular might be expected to realize, nor has anyone made any other representation which is not expressly set forth in this Agreement, to induce the Developer to accept this franchise and execute this Agreement.~~

~~C.— Developer represents and acknowledges that he has received a copy of this Agreement, with all blanks filled in, from Franchisor at least seven (7) calendar days before the date of execution of this Agreement. Developer further represents that he understands the terms, conditions and obligations of this Agreement and agrees to be bound.~~

~~[intentionally deleted].~~

25. **MISCELLANEOUS**

A. Except as otherwise expressly provided, nothing in this Agreement is intended, nor shall be deemed, to confer any rights or remedies upon any person or legal entity who is not a party to this Agreement.

B. The headings of the several sections and paragraphs are for convenience only and do not define, limit or construe the contents of sections or paragraphs.

C. The "Developer" as used in this Agreement is applicable to one (1) or more persons, a corporation or a partnership or limited partnership or limited liability company as the case may be, and the singular usage includes the plural and the masculine and neuter usages include the other and the feminine. If two (2) or more persons are at any time Developer under this Agreement, their obligations and liabilities to Franchisor shall be joint and several. References to "Developer" and "Assignee" which are applicable to an individual or individuals shall mean the owner or owners

the covenant that imposes the maximum duty permitted by law as if the resulting covenant were separately stated in and made a part of this Agreement.

7. This Agreement contains the entire agreement of the parties regarding the subject matter of this Agreement. This Agreement may be modified only by a duly authorized writing executed by all parties.

8. All notices and demands required to be given must be in writing and sent by personal delivery, expedited delivery service, certified or registered mail, return receipt requested, first-class postage prepaid, electronic mail, (provided that the sender confirms the electronic mail, by sending an original confirmation copy by certified or registered mail or expedited delivery service within three (3) business days after transmission), to the respective parties at the following addresses unless and until a different address has been designated by written notice to the other parties.

If directed to Franchisor, the notice shall be addressed to:

TBC INTERNATIONAL, LLC
~~5360 College Blvd~~ 2261 Market Street, Suite ~~200~~ 10533,
San Francisco, CA 94114
~~Overland Park, KS 66221~~
ATTN: President

[CEO](mailto:legal@teamtitleboxingclub.com)
legal@teamtitleboxingclub.com

with a copy to:

John D. Moore, Esq.
Husch Blackwell LLP
4801 Main Street, Suite 1000
Kansas City, Missouri 64112
JOHN.MOORE@HUSCHBLACKWELL.COM

If directed to Developer, the notice shall be addressed to: ___

Attention: _____

If directed to Covenantor, the notice shall be addressed to:

Attention: _____

Any notices sent by personal delivery shall be deemed given upon receipt. Any notices given by electronic mail shall be deemed given upon transmission, provided confirmation is made as provided above. Any notice sent by expedited delivery service or registered or certified mail shall be deemed given three (3) business days after the time of mailing. Any change in the foregoing addresses shall be effected by giving fifteen (15) days written notice of such change to the other parties. Business day for the purpose of this Agreement excludes Saturday, Sunday and the following national holidays: New Year's Day, Martin Luther King Day, Presidents' Day, Memorial Day, Independence Day, Labor Day, Columbus Day, Veterans Day, Thanksgiving.

9. The rights and remedies of Franchisor under this Agreement are fully assignable and transferable and inure to the benefit of its respective parent, successor and assigns. The respective obligations of Developer and Covenantor hereunder may not be assigned by Developer or Covenantor without the prior written consent of Franchisor.

IN WITNESS WHEREOF, the undersigned have entered into this Agreement as witnessed by their signatures below.

FRANCHISOR:

DEVELOPER:

TBC INTERNATIONAL LLC

By: _____
Todd Wadler, CEO

By: _____
NAME

By: _____

**TITLE BOXING CLUB FITNESS STUDIO
FRANCHISE AGREEMENT**

THIS FRANCHISE AGREEMENT (“Agreement”) is made and entered into on _____, by and between TBC International LLC, a Kansas limited liability company, with its principal ~~office at 8647 Hayden Place, Culver City, CA 90232~~business address at 2261 Market Street, Suite 10533, San Francisco, CA 94114 (the “Franchisor”) and _____, a _____ formed and operating under the laws of the State of _____, or _____, an individual, whose principal address is _____ (the “Franchisee”).

WITNESSETH:

WITNESSETH:

WHEREAS, as a result of the expenditure of time, effort, and expense, Franchisor has created a unique and distinctive proprietary system hereinafter (the “System”) for the establishment, development and operation of TITLE BOXING CLUB® Fitness Studio that offer effective and fun total body workouts that are taught by boxers, kickboxers and mixed martial artists;

WHEREAS, Franchisor owns the System and the right to use the Licensed Marks (as defined below) and grants the right and license to others to use the System and the Licensed Marks;

WHEREAS, the distinguishing characteristics of the System, include, without limitation: interior design, color scheme and equipment; uniform standards, specifications and procedures for the unique boxing, kickboxing and marital arts classes; specifications and procedures for operations; uniformity of services and products offered; procedures for inventory management and financial controls; training assistance; and advertising and marketing programs; all of which may be changed, improved and further developed by Franchisor;

WHEREAS, Franchisor identifies the System and licenses the use of certain trade names, service marks, trademarks, emblems and indicia of origin, including the mark TITLE BOXING CLUB® and other trade names, service marks and trademarks as are now designated and may be hereafter designated by Franchisor in writing for use with the System (the “Licensed Marks”);

WHEREAS, Franchisee understands and acknowledges the importance of uniformity of services and the uniformity of operating all Fitness Studios in conformity with the Specifications (as defined below); and

WHEREAS, Franchisee ~~acknowledges that it has conducted an independent investigation of the business contemplated by this Agreement and~~ recognizes that, like any other business, the nature of the business conducted at a TITLE BOXING CLUB® Fitness Studio may evolve over time; ~~and that an investment in a TITLE BOXING CLUB® Fitness Studio involves business risks and that the success of the venture is largely dependent on Franchisee’s business abilities.~~

Franchisor's employees conducting such training, including, without limitation, the cost of transportation, lodging and meals, and (c) Franchisee must pay all expenses incurred by Franchisee (or any of Franchisee's employees) in connection with attendance and participation in any such training, including without limitations, the costs of transportation, lodging, meals, and any salaries or other wages.

C. HIRING AND TRAINING OF EMPLOYEES BY FRANCHISEE

Franchisee is solely responsible for the hiring of all of its employees of the Fitness Studio and is exclusively responsible for the terms of their employment and for their supervision and management, compensation and training. Franchisee is solely responsible for all employee hiring, working hours, benefits, wages, policies, management and supervision.

Franchisee agrees to maintain at all times a staff of trained employees sufficient to operate the Fitness Studio in compliance with Franchisor's standards. ~~Any employee who is hired to serve as a coach must complete to Franchisor's satisfaction any Supplemental Training prior to conducting any classes in the Fitness Studio. In the event Franchisor determines any particular training should require additional Supplemental Training, Franchisor shall have discretion to require such additional training.~~ Franchisee agrees to ensure that its employees are sufficiently trained (and certified if required by system standards) so that the Fitness Studio meets all system standards.

D. OPENING ASSISTANCE

If Franchisee requests, and Franchisor agrees (in Franchisor's sole discretion), then Franchisor will provide Franchisee with supervisory assistance in connection with the opening and initial operations of the Fitness Studio. Franchisee shall reimburse Franchisor or its affiliate for all costs and expenses incurred by Franchisor or such affiliate to provide such assistance to Franchisee. The direct costs and expenses to be reimbursed to Franchisor or its affiliate by Franchisee may include, but are not necessarily limited to, the costs of the transportation and lodging for the employees and other representatives of Franchisor and its affiliates to provide such assistance. In the event Franchisor provides Franchisee with opening assistance, Franchisee agrees to pay Franchisor or its affiliate such direct costs and expenses within thirty (30) days from the date of an invoice from Franchisor or its affiliate. Franchisee must have a certificate of occupancy from the local governmental agency where the Fitness Studio is located before Franchisor will schedule any such assistance.

E. OPERATING ASSISTANCE

Franchisor will advise Franchisee of operating problems of the Fitness Studio disclosed by reports submitted by Franchisee or by visits by Franchisor to the Fitness Studio, if Franchisor chooses to make visits to the Fitness Studio. Franchisor may evaluate the services provided by Franchisee at the Fitness Studio to maintain the highest standards of quality, service, and consistency throughout the System. Operating assistance provided by Franchisor to Franchisee may consist of one or more of the following:

- (1) Operating procedures utilized by Franchisee;

(8) Fails to maintain or suffers cancellation of any insurance policy required under this Agreement;

(9) Violates any of the covenants contained in this Agreement;

(10) Fails to promptly pay any vendor or supplier of products and/or services to Franchisee; or

(11) Fails to comply with any other provision of this Agreement or any mandatory Specification, including, without limitation, any requirements set forth in the Operations Manual, or any other directive of Franchisor; or

(12) Fails to comply with any other material term or material condition imposed by any other Franchise Agreement between Franchisor (or Franchisor's affiliate) and Franchisee;

Failure of Franchisee to cure the material default of this Agreement within the specified time, or a longer period of time as applicable law may require, will result in the termination of Franchisee's rights under this Agreement, effective on the expiration of the notice period, and without further notice to Franchisee.

~~D. Franchisee shall be in material default of this Agreement and Franchisor shall have the right to terminate this Agreement upon thirty (30) days written notice to Franchisee, or a less time as specified below, specifying the material default of this Agreement which shall constitute good cause for termination and providing Franchisee with thirty (30) days or a less period as specified below, in which to cure the material default giving rise to the good cause for termination. Termination shall be effective upon the expiration of the thirty (30) days or less notice period, and Franchisee's failure to cure the material default. Any one of the following shall be a material breach of this Agreement and constitute good cause for termination of this Agreement, if Franchisee and/or of its Principals and/or the Fitness Studio:~~

~~(1) Fails to develop, open and operate the Fitness Studio in compliance with this Agreement;~~

~~(2) Misappropriates, misuses or makes any unauthorized use of the Licensed Marks or materially impairs the goodwill associated with the Licensed Marks;~~

~~(3) Purports to transfer any right or obligation under this Agreement without Franchisor's prior written consent and in compliance with the provisions of this Agreement;~~

~~(4) Fails, refuses or is unable to promptly pay when due any monetary obligation to Franchisor under the Area Development Agreement, this Agreement or any other agreement between the parties and does not cure the monetary default within fourteen (14) days following written notice from Franchisor;~~

~~(5) Fails to correct a deficiency of a health or safety issue after notice of such deficiency is issued by a local, state, or federal agency, or regulatory authority;~~

~~(6) Fails to comply with any other material provision of this Agreement;~~

~~(7) — Violates any law, ordinance, rule or regulation of a governmental agency in the connection with the operation of the Fitness Studio, and permits the same to go uncorrected after notification of violation;~~

~~(8) — Fails to maintain or suffers cancellation of any insurance policy required under this Agreement;~~

~~(9) — Violates any of the covenants contained in this Agreement;~~

~~(10) — Fails to promptly pay any vendor or supplier of products and/or services to Franchisee; or~~

~~(11) — Fails to comply with any other provisions of this Agreement or any mandatory Specification, including, without limitation, any requirements set forth in the Operations Manual, or any other directive of Franchisor;~~

~~(12) — Fails to comply with any other material term or material condition imposed by any other Franchise Agreement between Franchisor and Franchisee; or~~

~~(13) — Failure of Franchisee to cure the material default of this Agreement within the specified time, or a longer period of time as applicable law may require, will result in the termination of Franchisee's rights under this Agreement, effective on the expiration of the notice period, and without further notice to Franchisee.~~

E.D. No default of the Area Development Agreement shall constitute a default of this Agreement unless the default is also a default of this Agreement.

20. POST-TERMINATION, POST-EXPIRATION AND LIQUIDATED DAMAGES

A. Upon termination or expiration of this Agreement, all rights granted to Franchisee immediately terminate and Franchisee must immediately:

(1) cease to operate the Fitness Studio under this Agreement and must not thereafter, directly or indirectly, represent to the public or hold itself out as a present or former franchisee of Franchisor;

(2) cease to use, in any manner whatsoever, any confidential methods, computer software, procedures and techniques associated with the System, and must immediately and permanently cease to communicate or order products from approved suppliers, must immediately and permanently cease to use the Licensed Marks and distinctive forms, slogans, signs, symbols and devices associated with the System, in any manner or for any purpose. Franchisee must cease to use, without limitation, all signs, advertising materials, displays, stationery, forms and any other articles which display the Licensed Marks or any distinctive features or designs associated with the Fitness Studio;

(3) pay to Franchisor, within fifteen (15) days after the effective date of termination or expiration (without renewal) of this Agreement, Royalty Fees and Brand Creative Fund Contributions then due and amounts owed for products purchased by Franchisee from

or kick-boxing, or mixed martial arts, for weight training, or body toning or cardiovascular health, or operates in any manner like a TITLE BOXING CLUB Fitness Studio;

D. The parties acknowledge and agree that each of the covenants contained herein is a reasonable limitation as to time, geographic area, and scope of activity to be restrained and do not impose a greater restraint than is necessary to protect the goodwill or other business interest of Franchisor. The parties agree that each of the covenants herein shall be construed as independent of any other covenant provision of this Agreement. The parties agree that the covenants not to compete set forth in this Agreement are fair and reasonable, and will not impose any undue hardship on Franchisee, since Franchisee acknowledges it and its Principals have considerable skills, experience and education which provide opportunities to derive income from other endeavors. If all or any portion of a covenant in this Section 21 is held unreasonable or unenforceable by a court having valid jurisdiction in an unappealed final decision to which Franchisor is a party, Franchisee and the Principals expressly agree to be bound by any covenant subsumed within the terms of that covenant that imposes the maximum duty permitted by law, as if the resulting covenant were separately stated in and made a part of this Section 21;

E. Franchisee and the Principals expressly agree that the existence of any claims that they 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 21;

F. Franchisee must require and obtain execution of covenants similar to those set forth in this Section 21 (including covenants applicable upon the termination of a person's employment with Franchisee) from its general manager. These covenants must be substantially in the form set forth in Exhibit B. Principals owning ten percent (10%) or greater interest in Franchisee also must execute these covenants. Notwithstanding the foregoing, Franchisor reserves the right, in its sole discretion, to decrease the period of time or geographic scope of the non-competition covenants set forth in Exhibit B or eliminate the non-competition covenant altogether for any party that is required to execute an agreement under this Section 21;

G. Franchisee and the Principals acknowledge that any failure to comply with the requirements of this Section 21 constitutes a material event of default under this Agreement. Franchisee and the Principals acknowledge that a violation of the terms of this Section 21 would result in irreparable injury to Franchisor for which no adequate remedy at law may be available. Therefore, Franchisor shall be entitled to obtain specific performance of or any injunction against the violation of the terms of this Section 21. Provided that the conduct is later determined to be in violation of the terms of this Section 21, Franchisee and the Principals agree to pay all court costs and reasonable attorneys' fees Franchisor incurs in connection with the enforcement of this Section 21, including payment of all costs and expenses for obtaining specific performance of, or an injunction against violation of, the requirements of this Section 21; and

H. Franchisee acknowledges that a violation of any covenant in this paragraph would cause irreparable damage to Franchisor, the exact amount of which may not be subject to reasonable or accurate ascertainment. Provided that it is reasonable for Franchisor to believe that there is a violation of a covenant, Franchisee consents to Franchisor seeking injunctive relief to restrain Franchisee, or anyone acting for or on Franchisee's behalf from violating covenants. Franchisee also acknowledges that Franchisor is also entitled to pursue any other remedies to

or Federal Law. Franchisee and the Principals further agree that venue for any proceeding relating to or arising out of this Agreement shall be in the county and state where Franchisor is then headquartered; provided, however, with respect to any action (i) for money owed, (ii) for injunctive or other extraordinary relief, or (iii) involving possession or disposition of, or other relief relating to, real property, Franchisor may bring such action in any state or Federal District Court which has jurisdiction.

Franchisee, the Principals and Franchisor acknowledge that the execution of this Agreement and the acceptance of the terms of the parties occurred in ~~Culver City~~ San Francisco, California, and further acknowledge that the performance of certain obligations of Franchisee arising under this Agreement, including, but not limited to, the payment of money due under this Agreement shall occur in ~~Culver City~~ San Francisco, California.

K. VARIANCES

Franchisee acknowledges that Franchisor has and may at different times approve exceptions or changes from the uniform standards of the System in Franchisor's absolute sole discretion, which Franchisor deems desirable or necessary under particular circumstances. Franchisee understands that he has no right to object to or automatically obtain such variances, and any exception or change must be approved in advance from Franchisor in writing. Franchisee understands existing franchisees may operate under different forms of agreements and that the rights and obligations of existing franchisees may differ materially from this Agreement.

L. BINDING EFFECT

This Agreement is binding upon the parties of this Agreement and their respective executors, administrators, heirs, assigns and successors in interest, and shall not be modified except by written agreement signed by both Franchisee and Franchisor.

M. CONSTRUCTION/INTEGRATION CLAUSE

This Agreement, all exhibits to this Agreement and all ancillary agreements executed contemporaneously with this Agreement constitute the entire agreement between the parties with reference to the subject matter of this Agreement and supersede any and all prior negotiations, undertakings, representations, and agreements; provided, however, that nothing in this or any related agreement is intended to disclaim the representations Franchisor made in the Franchise Disclosure Document that Franchisor furnished to Franchisee. Franchisee acknowledges that Franchisee is entering into this Agreement, and all ancillary agreements executed contemporaneously with this Agreement, as a result of Franchisee's own independent investigation of the franchised business and not as a result of any representations about Franchisor made by Franchisor's shareholders, officers, directors, employees, agents, representatives, independent contractors, attorneys, or franchisees, which are contrary to the terms set forth in this Agreement or of any franchise disclosure document, offering circular, prospectus, or other similar document required or permitted to be given to Franchisee pursuant to applicable law.

~~Franchisee hereby acknowledges and further represents and warrants to Franchisor that:~~

~~(1) Franchisee has placed no reliance on any oral or written statements, whether~~

~~referred to as representations, warranties, inducements or otherwise, which are not contained in this Agreement or in the Franchise Disclosure Document provided Franchisee;~~

~~(2) — Franchisee has entered into this Agreement after making an independent investigation of Franchisor's operations and the System;~~

~~(3) — Franchisor has not made any guarantee or provided any assurance that the business location will be successful or profitable;~~

~~(4) — Franchisee has (a) read this Agreement in its entirety and understands its contents; (b) been given the opportunity to clarify any provisions that Franchisee did not understand and (c) had the opportunity to consult with professional advisors regarding the operation and effect of the Agreement and the operation of the System;~~

~~(5) — Franchisee has, together with its advisors, sufficient knowledge and experience in financial and business matters to make an informed decision with respect to the franchise offered by Franchisor;~~

~~(6) — Franchisee has received a copy of Franchisor's Franchise Disclosure Document not later than the earlier of the first personal meeting held to discuss the sale of a franchise, or fourteen (14) calendar days before execution of this Agreement or fourteen (14) calendar days before any payment of any consideration;~~

~~(7) — The covenants not to compete set forth in this Agreement are fair and reasonable, and will not impose any undue hardship on Franchisee, since Franchisee acknowledges it and its Principals have considerable skills, experience and education which provide opportunities to derive income from other endeavors.~~

~~Except as may have been disclosed at Item 19 of Franchisor's Franchise Disclosure Document, Franchisee represents and warrants to Franchisor that no claims, representations or warranties regarding the earnings, sales, profits, success or failure of the franchised business have been made to Franchisee and no such claims, representations or warranties have induced Franchisee to enter into this Agreement.~~

Except for those changes permitted to be made unilaterally by Franchisor, no amendment, change or variance from this Agreement is binding on either party unless mutually agreed to by the parties and executed by their authorized officers or agents in writing.

For purposes of this Agreement, a publicly held corporation is a corporation registered pursuant to Section 12 of the Securities Exchange Act of 1934, as amended, or a corporation subject to the requirements of Section 15(d) of that Act.

24. NOTICES AND PAYMENTS

A. All written notices and reports permitted or required to be delivered by the provisions of this Agreement or of the Operations Manual shall be deemed so delivered at the time delivered by hand or by e-mail with receipt confirmed by the receiving party or one (1) business day after being sent by overnight courier with delivery confirmed to the party to be notified at its

most current address of which the notifying party has been notified. The following physical addresses for the parties shall be used unless and until a different physical address has been designated by written notice to the other party:

Notices to Franchisor:

TBC International LLC
[8647 Hayden Place,](#)
[Culver City, CA 90232](#)
[2261 Market Street, Suite 10533,](#)
[San Francisco, CA 94114](#)
ATTN: Franchise Legal Administrator
legal@teamtitleboxingclub.com

with a copy to:

John D. Moore, Esq.
Husch Blackwell LLP
4801 Main Street, Suite 1000
Kansas City, Missouri 64112
JOHN.MOORE@HUSCHBLACKWELL.COM

Notice to Franchisee:

ATTN: _____

B. All payments and reports required by this Agreement not actually received by Franchisor during regular business hours on the date due are deemed delinquent.

C. In all cases where Franchisor’s prior approval is required and no other method or timing for obtaining such approval is prescribed, Franchisee shall request such approval in writing. Except as otherwise expressly provided in this Agreement, whenever the consent or approval of Franchisor is required hereunder, such consent or approval must be in writing and will not be unreasonably withheld. Franchisor’s consent to or approval of any act or request by Franchisee shall be effective only to the extent specifically stated, and shall not be deemed to waive or render unnecessary consent or approval of any other subsequent similar act or request.

25. COMPLIANCE WITH ANTI-TERRORISM LAWS

Franchisee and its Principals agree to comply with Anti-Terrorism Laws. Franchisee and its Principals certify, represent and agree that none of its property or interests is blocked under any of the Anti-Terrorism Laws which shall mean Executive Order 13224 issued by the President of the United States, the USA Patriot Act, and all other present and future federal, state and local laws, regulation, and other requirements of any governmental authority relating to terrorist acts or acts of war. Any violation of any Anti-Terrorism Act shall be good cause for immediate

26. CAVEAT

~~A. The success of the business venture contemplated to be undertaken by this Agreement is speculative and depends, to a large extent, upon the ability of the Franchisee as an independent business person, and the active participation of Franchisee in the daily affairs of the business as well as other factors. Franchisor does not make any representation or warranty, express or implied, as to the potential success of the business venture contemplated hereby.~~

~~INTENTIONALLY DELETED.~~

27. MISCELLANEOUS

A. Except as otherwise expressly provided, nothing in this Agreement is intended, nor shall be deemed, to confer any rights or remedies upon any person or legal entity who is not a party to this Agreement.

B. The headings of the several sections and paragraphs are for convenience only and do not define, limit or construe the contents of sections or paragraphs.

C. The “Franchisee” as used in this Agreement is applicable to one or more persons, a corporation, partnership, limited partnership, or limited liability company as the case may be, and the singular usage includes the plural and the masculine and neuter usages include the other and the feminine. If two (2) or more persons are at any time Franchisee under this Agreement, their obligations and liabilities to Franchisor shall be joint and several. References to “Franchisee” and “Assignee” which are applicable to an individual or individuals shall mean the owner or owners of the equity or operating control of Franchisee or the Assignee, if Franchisee or the Assignee is a corporation, partnership, limited partnership or limited liability company.

This Agreement shall be executed in multiple copies, each of which shall be deemed an original.

parties.

If directed to Franchisor, the notice shall be addressed to:

TBC International LLC
8647 Hayden Place
Culver City, CA 90232
2261 Market Street, Suite 10533
San Francisco, CA 94114
ATTN: Franchise Legal Administrator
legal@teamttitleboxingclub.com

with a copy to:

John D. Moore, Esq.
Husch Blackwell LLP
4801 Main Street, Suite 1000
Kansas City, Missouri 6411
JOHN.MOORE@HUSCHBLACKWELL.COM

If directed to Franchisee, the notice shall be addressed to:

Attention: _____

If directed to Covenantor, the notice shall be addressed to:

Attention: _____

Any notices sent by personal delivery shall be deemed given upon receipt. Any notices given by electronic mail shall be deemed given upon transmission, provided confirmation is made as provided above. Any notice sent by expedited delivery service or registered or certified mail shall be deemed given three (3) business days after the time of mailing. Any change in the foregoing addresses shall be effected by giving fifteen (15) days written notice of such change to the other parties. Business day for the purpose of this Agreement excludes Saturday, Sunday and the following national holidays: New Year’s Day, Martin Luther King Day, Presidents’ Day, Memorial Day, Independence Day, Labor Day, Columbus Day, Veterans Day, Thanksgiving and Christmas.

9. The rights and remedies of Franchisor under this Agreement are fully assignable and transferable and inure to the benefit of its respective affiliate, successor and assigns. The respective obligations of Franchisee and Covenantor hereunder may not be assigned by Franchisee or Covenantor without the prior written consent of Franchisor.

FRANCHISOR:

FRANCHISEE:

TBC INTERNATIONAL LLC

EXHIBIT C – LEASE RIDER

This Lease Rider is made and entered into on _____, by and among TBC INTERNATIONAL LLC, a Kansas limited liability company (“TITLE BOXING CLUB” or “Franchisor”) _____ (“Franchisee”), and _____ (“Landlord”).

WHEREAS, Franchisor and Franchisee are parties to that certain Franchise Agreement dated _____ (“Franchise Agreement”); and

WHEREAS, Franchisee and Landlord are entering into a lease of even date herewith (the “Lease”) pursuant to which Franchisee will occupy the Premises located at _____ (the “Premises”) for a TITLE BOXING CLUB Fitness Studio (“Permitted Use Fitness Studio”) licensed under the Franchise Agreement; and

WHEREAS, as a condition to entering into the Lease, the Franchisee is required under the Franchise Agreement to execute this Lease Rider along with the Landlord and Franchisor.

NOW, THEREFORE, in consideration of the mutual undertakings and commitments set forth herein and in the Franchise Agreement, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. During the term of the Franchise Agreement, (a) the Premises shall be used only for the Permitted Use Fitness Studio, and (b) Landlord and Franchisee agree that no amendment of the Lease shall be deemed valid unless and until Franchisor has approved the same.

2. Landlord consents to Franchisee’s use of Licensed Marks and signs, and interior and exterior decor items, color schemes and related components of the TITLE BOXING CLUB System, plans, specifications, location of the building and its entrance, as Franchisor may prescribe from time to time. Landlord agrees to reasonably cooperate with obtaining approval for the same, to the extent necessary, from the applicable governmental authorities.

3. Landlord agrees to furnish Franchisor with copies of all notices of default and all correspondence between Landlord and Franchisee related to any such default. [All notices shall be sent to todd@teamttitleboxingclub.com, with a copy to legal@teamttitleboxingclub.com.](mailto:todd@teamttitleboxingclub.com)

4. Franchisor has the right to enter the Premises to make any operational modifications or non-structural alteration necessary to protect the TITLE BOXING CLUB System and Licensed Marks or to cure any default under the Franchise Agreement entered into between Franchisor and Franchisee or under the Lease, without being guilty of trespass or any other crime or tort, and Landlord shall not be responsible for any expenses or damages arising from Franchisor’s action in connection therewith.

5. Landlord grants Franchisor the right, but not the obligation, to cure any deficiency or default under the Lease if Franchisee fails to do so for an additional: (a) fifteen (15) days for in the event of a monetary default and (b) thirty (30) days in the event of a non-monetary default (or such longer period as may be reasonably necessary provided Franchisor commences a cure within such 30-day period and diligently pursues the cure thereafter), after the expiration of the time in which Franchisee may cure a default pursuant to the terms of the Lease.

6. Upon the expiration or termination of the Franchise Agreement for any reason whatsoever, Landlord shall grant Franchisor the option, but not the obligation, to assume the Lease as follows:

(A) Franchisor may, but is not obligated to, directly assume the Lease, and shall have the right to either assign such Lease or sublease the Premises for all or any part of the remaining Lease term to a franchisee who has been approved by Landlord, such approval not to be unreasonably withheld, delayed or conditioned, and upon any such assignment, Franchisor shall be relieved of any liability for obligations accruing after the effective date of any such assignment; or

(B) Franchisor may, but is not obligated to, assign its option to assume the Lease to a franchisee who has been approved by Landlord, such approval not to be unreasonably withheld, delayed or conditioned, and Landlord agrees to permit the direct assumption of the Lease by such franchisee.

Franchisor agrees to provide Landlord with notice of its election to exercise one of the foregoing options within thirty (30) days after the expiration or earlier termination of the Franchise Agreement. If Franchisor fails to notify Landlord within such time period, the options shall be deemed waived.

7. Landlord shall acknowledge that, in all cases, Franchisee is solely responsible for all obligations, payments and liabilities accruing under the Lease, unless and until Franchisor or Franchisor's designated franchisee exercises the option to become substitute lessee and takes physical possession of the Premises.

8. If Franchisee fails to cure a default under the Lease, and Franchisor has escrowed funds or has committed in writing to provide the necessary undertaking to cure the default, Landlord shall take any action necessary to remove Franchisee from the Premises and retake possession of the Premises.

9. Landlord and Franchisee acknowledge and agree that Franchisee shall be required, upon Franchisor's request, to assign the Lease to Franchisor or its designee upon the expiration or earlier termination of the Franchise Agreement. In the event the Lease is terminated prior to its expiration, then upon Franchisor's request, Landlord agrees to reinstate the Lease or enter into a new lease under the same terms and conditions with Franchisor or Franchisor's designee in accordance with the terms of this Lease Rider, which shall survive any termination of the Lease prior to the expiration thereof in accordance with its terms.

10. ~~If Franchisor chooses to assume~~ the ~~event of assignment~~ Lease, Franchisor or its designee will assume from and after the date of assignment all obligations of Franchisee remaining under the Lease, and in such event, Franchisor or its designee will assume Franchisee's occupancy rights, and the right to sublease the Premises, for the remainder of the term of the Lease.

11. Franchisee shall not amend or assign the Lease or renew or extend the terms thereof without the prior written consent of Franchisor.

12. The terms of this Lease Rider will supersede any conflicting terms of the Lease.

13. Franchisor is not a party to the Lease and shall have no liability under the Lease unless and until ~~said Lease is assigned to, and assumed by,~~ Franchisor chooses to assume such Lease, as herein provided.

[Franchisor is never required to assume the Lease.](#)

IN WITNESS WHEREOF, the parties have executed this Lease Rider as of the date first above written.

FRANCHISOR:

FRANCHISEE:

TBC INTERNATIONAL LLC

By: _____
Todd Wadler, CEO

By: _____
NAME

By: _____
NAME

LANDLORD:

By: _____

Name: _____

Title: _____

EXHIBIT I
GENERAL RELEASE

This Agreement (the “Agreement”) is made and entered into on _____ (the “Effective Date”) by and between TBC International, LLC, a Kansas limited liability company (“Franchisor”), _____, a _____ limited liability company with a business address of _____ (“Franchisee”), and _____, whose principal business address is _____ (“Guarantors”).

WITNESSETH:
WITNESSETH:

WHEREAS, Franchisor and Franchisees are parties to a franchise agreement dated _____ (the “Franchise Agreement”) for the operation of TITLE BOXING CLUB® Fitness Facility _____ located at _____ (the “Franchised Business”);

WHEREAS, Guarantors executed a Guaranty and Assumption of Obligations on _____ (the “Guaranty”) pursuant to which Guarantors guaranteed Franchisee’s obligations under the Franchise Agreement and agreed to be personally bound by the obligations in the Franchise Agreement;

[INSERT FACTS SPECIFIC TO SITUATION]

NOW THEREFORE, in consideration of the mutual covenants and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by and between the parties, it is agreed and understood as follows:

1. **RELEASE BY FRANCHISEE.** Except for the obligations of Franchisor contained in this Agreement, Franchisee and Guarantors (for themselves, and their officers, directors, shareholders, managers, members, employees, agents, heirs, predecessors, successors and assigns) hereby release, acquit, and forever discharge Franchisor, its affiliates, and each of their current and former directors, officers, managers, affiliates, members, shareholders, employees, agents, legal representatives, heirs, successors and assigns (the “TBCI Releasees”) from any and all claims, actions, and causes of action, of every conceivable kind, character and nature, whether absolute or contingent and whether known or unknown, which Franchisee or Guarantors has, had, or may ever have had against any of the TBCI Releasees, by reason of, or arising out of, or in any way related to (i) the Franchised Business or any other franchised business, (ii) the offer or sale of any franchise, (iii) the Franchise Agreement or any other agreement Franchisee or any Guarantor has or had with any TBCI Releasee, (iv) the termination of any franchise, (v) the relationship between Franchisor (or Guarantor) and any TBCI Releasee; or (vi) any facts, events, circumstances, omissions, acts, representations, misrepresentations, or occurrences existing or happening prior to the Effective Date. Nothing in this paragraph releases claims arising under the Washington Franchise Investment Protection Act, RCW 19.100, and the rules adopted thereunder.

2. **DISPUTE RESOLUTION.** Any claim to enforce this Agreement is subject to the provisions in Sections 22 (Mediation) and 23 (Enforcement) of the Old FA, which are hereby incorporated by reference. In this connection, Sections 22 and 23’s reference to the “Agreement” shall be interpreted to include this Agreement, in addition to the Old FA. Section 23 contains an arbitration clause.

EXHIBIT K
STATE ADDENDA

**ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT
FOR TBC INTERNATIONAL, LLC
REQUIRED BY THE STATE OF CALIFORNIA**

In recognition of the requirements of the California Franchise Investment Law (Sections 31000 through 31516), the California Administrative Code (Title 10, Chapter 3, subchapter 2.6, Sections 310.00 through 310.505) and the California Business and Professions Code (Sections 20000 through 20043), the Franchise Disclosure Document of **TBC INTERNATIONAL, LLC** for use in the State of California shall be amended as follows:

1. ~~_____~~ The ~~Cover Page, Item 5 and Item 7~~ following language shall be ~~amended by~~ added to the ~~addition of cover page immediately following the following language~~ Federal Trade Commission disclosure:

~~“To guarantee franchisor’s fulfillment of its pre-opening obligations to each franchisee, a surety bond has been purchased and is on file with the California Department of Financial Protection and Innovation.”~~

2. ~~_____~~ The following language shall be added to the cover page immediately following the Federal Trade Commission disclosure:

“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 FRANCHISE DISCLOSURE DOCUMENT.”

32. The last paragraph of the cover page shall be amended to read as follows:

“Registration of this Franchise with any state does not mean that the state recommends it or has verified the information in this Franchise Disclosure Document. If you learn that anything in this Franchise Disclosure Document is untrue, contact the Federal Trade Commission and the Department of Financial Protection and Innovation., at any of its offices, including 320 West 4th Street, Suite 750, Los Angeles, California 90010-2344.”

43. Item 3, under the heading “Litigation,” shall be amended by adding the following language to the end of Item 3:

“Neither **TBC INTERNATIONAL, LLC**, nor any person identified in Item 2 of the Franchise Disclosure Document, 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.”

54. Item 6, under the heading “Liquidated Damages,” in the “Remarks”, shall be amended by adding the following language:

“Under California Civil Code, Section 1671, certain liquidated damages clauses are unenforceable.”

65. Item 17(b), under the heading “Renewal or extension of term,” shall be amended by the addition of the following language at the end of each Summary Section:

“The California Business and Professions Code (Sections 20000 through 20043) provide rights to the franchisee concerning termination or non-renewal of a franchise. If the franchise agreement contains a provision that is inconsistent with the law, the law will control.”

76. Item 17(f) under the heading “Termination by franchisor with cause” shall be amended by the addition of the following language at the end of each Summary Section:

“The California Business and Professions Code (Sections 20000 through 20043) provide rights to the franchisee concerning termination or non-renewal of a franchise. If the franchise agreement contains a provision that is inconsistent with the law, the law will control.”

87. Item 17(h) under the heading “Cause” defined – non-curable defaults” shall be amended by the addition of the following language at the end of each Summary Section:

“This provision may not be enforceable under federal bankruptcy law (11 U.S.C.A. Sec. 101 et seq.)”

98. Item 17(i) entitled “Franchisee’s obligations on termination/nonrenewal” shall be amended by the addition of the following language at the end of each Summary Section:

“Under California Civil Code Section 1671, certain liquidated damages clauses are unenforceable.”

109. Item 17(r) entitled “Non-competition covenants after the Franchise is terminated or expires” shall be amended by the addition of the following language at the end of each Summary Section:

“Because the agreement contains a covenant not to compete which extends beyond the termination of the agreement, this provision may not be enforceable under California law. [A contract that restrains a former franchisee from engaging in a lawful trade or business may be to that extent void under California Business and Professions Code Section 16600.](#)”

110. Item 17(u) entitled “Dispute resolution by arbitration or mediation” shall be amended by the addition of the following language at the end of each Summary Section:

“The mediation will occur in Los Angeles, California with the costs and expenses of mediation, including compensation of the mediator, borne by the parties equally. Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040.5, Code of Civil Procedure Section 1281, and the Federal Arbitration Act) to any provisions of an agreement restricting venue to a forum outside the state of California.”

~~12~~11. Item 17(v) entitled “Choice of Forum” shall be amended by the addition of the following language at the end of each Summary Section:

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

~~13~~12. Item 17(w) entitled “Choice of Law” shall be amended by the addition of the following language at the end of each Summary Section:

~~“This provision may not be enforceable in under California law.”~~

14“This provision may not be enforceable in under California law. Both the Governing Law and Choice of Law for Franchisees operating outlets located in California, will be the California Franchise Investment law and the California Franchise Relations Act regardless of the choice of law or dispute resolution venue stated elsewhere. Any language in the franchise agreement or amendment to or any agreement to the contrary is superseded by this condition.”

13. Item 17 entitled “RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION” shall be amended by the addition of the following paragraphs at the end of each Summary Section:

“Section 31125 of the California Franchise Investment Law requires that **TBC INTERNATIONAL, LLC** give you a disclosure document, approved by the Department of Corporations, before a solicitation of a proposed material modification of an existing franchise.

The California Business and Professions Code (Sections 20000 through 20043) provides rights to the franchisee concerning termination or non-renewal of a franchise. If the franchise agreement contains a provision that is inconsistent with the law, the law will control.

Section 31512 of the California Franchise Investment Law voids any condition, stipulation or provision purporting to bind you to waive compliance with any provision of the California Franchise Investment Law or any rule or order under the California Franchise Investment Law. Section 20010 of the California Business and Professions Code provides that any condition, stipulation or provision purporting to bind you to waive compliance with any provision of the California Business and Professions Code is contrary to public policy and void.”

~~15~~14. The following statement applies to our Internet website located at www.titleboxingclub.com:

“OUR WEB SITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION. ANY COMPLAINTS CONCERNING THE CONTENT OF THIS WEB SITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION AT WWW.DFPI.CA.GOV.”

4615. To the extent this Addendum shall be deemed inconsistent with any terms or conditions of the Franchise Disclosure Document, the terms of this Addendum shall govern.

THIS ADDENDUM ADDRESSES CERTAIN PROVISIONS OF CALIFORNIA LAW THAT AMEND THE FRANCHISE DISCLOSURE DOCUMENT OF TBC INTERNATIONAL, LLC READ THIS ADDENDUM CAREFULLY.

DATE

PROSPECTIVE FRANCHISEE

PRINTED NAME

**ADDENDUM TO AREA DEVELOPMENT AGREEMENT
FOR TBC INTERNATIONAL, LLC
REQUIRED BY THE STATE OF CALIFORNIA**

In recognition of the requirements of the California Franchise Investment Law (Sections 31000 through 31516), the California Administrative Code (Title 10, Chapter 3, subchapter 2.6, Sections 310.00 through 310.505) and the California Business and Professions Code (Sections 20000 through 20043), the parties below agree to enter into this Addendum (the “Addendum”) to amend the Area Development Agreement of **TBC INTERNATIONAL, LLC** for use in the State of California as follows:

~~1. Section 9, under the heading “DEVELOPMENT FEE” shall be amended by adding the following language to the end of Section 9:~~

~~“To guarantee franchisor’s fulfillment of its pre-opening obligations to each franchisee, a surety bond has been purchased and is on file with the California Department of Financial Protection and Innovation.”~~

21. Section 14 under the heading “TERMINATION” shall be amended by adding the following language to the end of Section 14:

“The California Business and Professions Code (Sections 20000 through 20043) provides rights to the franchisee concerning termination or non-renewal of a franchise. If this agreement contains a provision that is inconsistent with the law, the law will control.

Because this Agreement contains a covenant not to compete which extends beyond the termination of this Agreement, this provision may not be enforceable under California law.² A contract that restrains a former franchisee from engaging in a lawful trade or business may be to that extent void under California Business and Professions Code Section 16600.”

32. Section 16.B under the heading “DEVELOPER MAY NOT ASSIGN OR SELL THE ASSETS WITHOUT APPROVAL OF THE FRANCHISOR” shall be amended by adding the following language to the end of Section 16.B:

“Section 31512 of the California Franchise Investment Law voids any condition, stipulation or provision purporting to bind you to waive compliance with any provision of the California Franchise Investment Law or any rule or order under the California Franchise Investment Law. Section 20010 of the California Business and Professions Code provides that any condition, stipulation or provision purporting to bind you to waive compliance with any provision of the California Business and Professions Code is contrary to public policy and void.”

43. Section 21 under the heading “MEDIATION” shall be amended by adding the following language to the end of Section 21:

“The mediation will occur in Los Angeles, California, with the costs and expenses of mediation, including compensation of the mediator, borne by the parties equally. Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section

20040.5, Code of Civil Procedure Section 1281, and the Federal Arbitration Act) to any provisions of an agreement restricting venue to a forum outside the state of California.”

54. Section 23.F under the heading “GOVERNING LAW” shall be amended by adding the following language to the end of Section 23.F:

~~“This provision may not be enforceable in under California law.”~~

6“This provision may not be enforceable under California law. Both the Governing Law and Choice of Law for Franchisees operating outlets located in California, will be the California Franchise Investment law and the California Franchise Relations Act regardless of the choice of law or dispute resolution venue stated elsewhere. Any language in the franchise agreement or amendment to or any agreement to the contrary is superseded by this condition.”

5. Section 23.G under the heading “EXCLUSIVE JURISDICTION” shall be amended by adding the following language to the end of Section 23.G:

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

76. To the extent this Addendum shall be deemed inconsistent with any terms or conditions of the Area Development Agreement, the terms of this Addendum shall govern.

IN WITNESS WHEREOF, the parties hereto have duly executed and delivered this Addendum to the Area Development Agreement simultaneously with the execution of the Area Development Agreement.

ATTEST

FRANCHISOR:

TBC INTERNATIONAL, LLC

By: _____

Name: _____

Title: _____

DEVELOPER:

By: _____

Name: _____

Title: _____

**ADDENDUM TO FRANCHISE AGREEMENT
FOR TBC INTERNATIONAL, LLC
REQUIRED BY THE STATE OF CALIFORNIA**

In recognition of the requirements of the California Franchise Investment Law (Sections 31000 through 31516), the California Administrative Code (Title 10, Chapter 3, subchapter 2.6, Sections 310.00 through 310.505) and the California Business and Professions Code (Sections 20000 through 20043), the parties below agree to enter into this Addendum (the "Addendum") to amend the Franchise Agreement of **TBC INTERNATIONAL, LLC** for use in the State of California as follows:

~~1. Section 11, under the heading "FRANCHISE FEE", shall be amended by adding the following language to the end of Section 11:~~

~~"To guarantee franchisor's fulfillment of its pre-opening obligations to each franchisee, a surety bond has been purchased and is on file with the California Department of Financial Protection and Innovation."~~

1. Section 17.C under the heading "CONDITION FOR APPROVAL OF ASSIGNMENT" shall be amended by adding the following language to the end of Section 17.C:

"Section 31512 of the California Franchise Investment Law voids any condition, stipulation or provision purporting to bind you to waive compliance with any provision of the California Franchise Investment Law or any rule or order thereunder. Section 20010 of the California Business and Professions Code provides that any condition, stipulation or provision purporting to bind you to waive compliance with any provision of the California Business and Professions Code is contrary to public policy and void."

2. Section 18 under the heading "RENEWAL OF FRANCHISE" shall be amended by adding the following language to the end of Section 18:

"The California Business and Professions Code (Sections 20000 through 20043) provides rights to the franchisee concerning termination or non-renewal of a franchise. If the franchise agreement contains a provision that is inconsistent with the law, the law will control.

Section 31512 of the California Franchise Investment Law voids any condition, stipulation or provision purporting to bind you to waive compliance with any provision of the California Franchise Investment Law or any rule or order thereunder. Section 20010 of the California Business and Professions Code provides that any condition, stipulation or provision purporting to bind you to waive compliance with any provision of the California Business and Professions Code is contrary to public policy and void."

3. Section 19 under the heading "POST-TERMINATION, POST-EXPIRATION AND LIQUIDATED DAMAGES" shall be amended by adding the following language to the end of Section 19:

"The California Business and Professions Code (Sections 20000 through 20043) provides rights to the franchisee concerning termination or non-renewal of a franchise. If

the franchise agreement contains a provision that is inconsistent with the law, the law will control.

Because this Agreement automatically terminates in the event of a Franchisee bankruptcy, this provision may not be enforceable under federal bankruptcy law (11 U.S.C.A. Sec. 101 et seq.).”

“Under California Civil Code Section 1671, certain liquidated damages clauses are unenforceable.”

4. Section 21 under the heading “COVENANTS” shall be amended by adding the following language to the end of Section 21:

“Because this Section 21 contains a covenant not to compete which extends beyond the termination of this Agreement, this provision may not be enforceable under California law. [A contract that restrains a former franchisee from engaging in a lawful trade or business may be to that extent void under California Business and Professions Code Section 16600.](#)”

5. Section 22 under the heading “MEDIATION” shall be amended by adding the following language to the end of Section 22:

“The mediation will occur in Los Angeles, California, with the costs and expenses of mediation, including compensation of the mediator, borne by the parties equally. Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040.5, Code of Civil Procedure Section 1281, and the Federal Arbitration Act) to any provisions of an agreement restricting venue to a forum outside the state of California.”

6. Section 23.F under the heading “GOVERNING LAW” shall be amended by adding the following language to the end of Section 23.F:

“This provision may not be enforceable in under California law. [Both the Governing Law and Choice of Law for Franchisees operating outlets located in California, will be the California Franchise Investment law and the California Franchise Relations Act regardless of the choice of law or dispute resolution venue stated elsewhere. Any language in the franchise agreement or amendment to or any agreement to the contrary is superseded by this condition.](#)”

7. Section 23.J under the heading “EXCLUSIVE JURISDICTION” shall be amended by adding the following language to the end of Section 23.J:

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

**ADDENDUM TO THE FRANCHISE DISCLOSURE DOCUMENT
FOR TBC INTERNATIONAL, LLC
REQUIRED BY THE STATE OF ILLINOIS**

In recognition of the requirements of the Franchise Disclosure Act of 1987 of Illinois, as amended from time to time (the "Illinois Act"), the Franchise Disclosure Document for **TBC INTERNATIONAL, LLC**, for use in the State of Illinois shall be amended to include the following:

- ~~1. The Cover Page of the Franchise Disclosure Document, Items 1 and 2 under "Risk Factors" are amended by the addition of the following language:~~

~~THIS PARAGRAPH SHALL NOT IN ANY WAY ABROGATE OR REDUCE ANY RIGHTS OF THE FRANCHISEE AS PROVIDED FOR IN THE ILLINOIS FRANCHISE DISCLOSURE LAW, INCLUDING THE RIGHT TO SUBMIT MATTERS TO THE JURISDICTION OF THE COURTS OF ILLINOIS AND TO MAINTAIN VENUE IN THE STATE OF ILLINOIS.~~

- ~~2. Item 17.v. and Item 17.w. respectively "CHOICE OF FORUM" and "CHOICE OF LAW" shall be supplemented with the following:~~

~~The Illinois Franchise Disclosure Act provides that any provision in the Franchise Agreement or the Development Agreement which designates jurisdiction or venue in a forum outside of Illinois is void with respect to any cause of action which otherwise is enforceable in Illinois.~~

~~The Illinois Franchise Disclosure Act requires that Illinois law apply to any claim arising under the Illinois Franchise Disclosure Act.~~

1. In conformance with Section 4 of the Illinois Franchise Disclosure Act, any provision in a franchise agreement that designates jurisdiction and venue in a forum outside of the State of Illinois is void. However, a franchise agreement may provide for arbitration to take place outside of Illinois.

- ~~3.2.~~ Your rights upon termination and Non-Renewal of an agreement are set forth in sections 19 and 20 of the Illinois Franchise Disclosure Act.

- ~~3. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Franchise Disclosure Document.~~

- ~~4. Each provision of this Addendum shall be effective only to the extent, with respect to such provision, that the jurisdiction requirements of the Illinois Franchise Disclosure Act of 1987, §§ 705/1 through 705/44, and any rules and regulations promulgated thereunder are met independently without references to this Addendum.~~

- ~~6.3.~~ Section 41 of the Illinois Franchise Disclosure Act provides that any condition, stipulation or provision purporting to bind any person acquiring any franchise to

waive compliance with the Illinois Franchise Disclosure Act or any other law of Illinois is void.

~~6. To the extent this Addendum shall be deemed to be inconsistent with any terms or conditions of the Franchise Disclosure Document, the terms of this Addendum shall govern.~~

~~8. Except as expressly modified by this Addendum, the Franchise Disclosure Document remains unmodified and in full force and effect.~~

4. The Franchisor has sustained Net Losses in Fiscal Years 2021, 2022 and 2023.

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

THIS ADDENDUM ADDRESSES CERTAIN PROVISIONS OF ILLINOIS LAW THAT AMEND THE FRANCHISE DISCLOSURE DOCUMENT OF TBC INTERNATIONAL, LLC. READ THIS ADDENDUM CAREFULLY.

DATE

PROSPECTIVE FRANCHISEE SIGNATURE

PRINTED NAME

**ADDENDUM TO TBC INTERNATIONAL, LLC
AREA DEVELOPMENT AGREEMENT
FOR THE STATE OF ILLINOIS**

In recognition of the requirements of the Franchise Disclosure Act of 1987 of Illinois, as amended from time to time (the “Illinois Act”), the parties below agree to enter into this Addendum (the “Addendum”) to amend the Area Development Agreement of **TBC INTERNATIONAL, LLC** for use in the State of Illinois ~~shall be amended~~ to include the following:

1. In conformance with Section 4 of the Illinois Franchise Disclosure Act, any provision in a franchise agreement that designates jurisdiction and venue in a forum outside of the State of Illinois is void. However, a franchise agreement may provide for arbitration to take place outside of Illinois.

2. Section 23, paragraph F, of the Area Development Agreement, under the heading, “GOVERNING LAW”, shall be revised to read as follows: Illinois law governs this Agreement.

~~1. In conformance with Section 4 of the Illinois Franchise Disclosure Act, any provision in a franchise agreement that designates jurisdiction and venue in a forum outside of the State of Illinois is void. However, a franchise agreement may provide for arbitration to take place outside of Illinois.~~

3. Your rights upon Termination and Non-Renewal of an agreement are set forth in sections 19 and 20 of the Illinois Franchise Disclosure Act

~~2. Section 23, paragraph F, of the Area Development Agreement, under the heading, “GOVERNING LAW”, shall be revised to read as follows:~~

Illinois law governs this Agreement.

~~2. Section 23, paragraph G, of the Area Development agreement, under the heading “EXCLUSIVE JURISDICTION” shall be deleted in its entirety.~~

~~3. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Area Development Agreement.~~

4. Section 41 of the Illinois Franchise Disclosure Act provides that any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act or any other law of Illinois is void.

~~5. Each provision of this Addendum shall be effective only to the extent, with respect to such provision, that the jurisdiction requirements of the Illinois Franchise Disclosure Act of 1987, §§ 705/1 through 705/44 and any rules and regulations promulgated thereunder are met independently without references to this Addendum.~~

~~6. To the extent this Addendum shall be deemed to be inconsistent with any terms or conditions of the Area Development Agreement, the terms of this Addendum shall govern.~~

~~7. Except as expressly modified by this Addendum, the Area Development Agreement remains unmodified and in full force and effect.~~

5. The Franchisor has sustained Net Losses in Fiscal Years 2021, 2022 and 2023.

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

IN WITNESS WHEREOF, the parties to this Addendum have duly executed, sealed and delivered this Addendum to the Area Development Agreement simultaneously with the signing of the Area Development Agreement.

FRANCHISOR:

TBC INTERNATIONAL, LLC

By: _____

Name: _____

Title: _____

**ADDENDUM TO THE FRANCHISE AGREEMENT
FOR TBC INTERNATIONAL, LLC
REQUIRED BY THE STATE OF ILLINOIS**

In recognition of the requirements of the Illinois Franchise Disclosure Act of 1987, §§ 705/1 through 705/44, the parties below agree to enter into this Addendum (the “Addendum”) to amend the Franchise Agreement of TBC INTERNATIONAL, LLC for use in the State of Illinois as follows:

Notwithstanding anything to the contrary stated in the Franchise Agreement, the following provisions shall supersede and apply to all franchises offered and sold in the State of Illinois:

1. In conformance with Section 4 of the Illinois Franchise Disclosure Act, any provision in a franchise agreement that designates jurisdiction and venue in a forum outside of the State of Illinois is void. However, a franchise agreement may provide for arbitration to take place outside of Illinois.

~~2.~~ Your rights upon Termination and Non-Renewal of an agreement are set forth in sections 19 and 20 of the Illinois Franchise Disclosure Act.

~~23.~~ Section 23, paragraph F, of the Franchise Agreement, under the heading, “Governing Law”, shall be revised to read as follows: Illinois law governs this Agreement.

~~Illinois law governs this Agreement.~~

~~3.~~ ~~Section 23, paragraph J, of the Franchise Agreement, under the heading “Exclusive Jurisdiction” is deleted in its entirety.~~

4. Section 41 of the Illinois Franchise Disclosure Act provides that any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act or any other law of Illinois is void.

5. ~~Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Franchise Agreement~~The Franchisor has sustained Net Losses in Fiscal Years 2021, 2022 and 2023.

~~6.~~ ~~Each provision of this Addendum shall be effective only to the extent, with respect to such provision, that the jurisdiction requirements of the Illinois Franchise Disclosure Act of 1987, §§ 705/1 through 705/44 and any rules and regulations promulgated thereunder are met independently without references to this Addendum.~~

~~7.~~ ~~To the extent this Addendum shall be deemed to be inconsistent with any terms or conditions of the Franchise Agreement, the terms of this Addendum shall govern.~~

~~8.~~ ~~Except as expressly modified by this Addendum, the Franchise Agreement remains unmodified and in full force and effect.~~

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

inducement, or (ii) disclaiming reliance on behalf of the Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

IN WITNESS WHEREOF, the parties to this Addendum have duly executed, sealed and delivered this Addendum to the Franchise Agreement simultaneously with the signing of the Franchise Agreement.

ATTEST: _____

FRANCHISOR

TBC INTERNATIONAL, LLC

By: _____

Name: _____

Title: _____

FRANCHISEE

By: _____

Name: _____

Title: _____

STATE ADDENDA
ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT
FOR TBC INTERNATIONAL, LLC
REQUIRED BY THE STATE OF MARYLAND

In recognition of the requirements of the Maryland Franchise Registration and Disclosure Act, the Franchise Disclosure Document of **TBC INTERNATIONAL, LLC** for use in the State of Maryland shall be amended as follows:

1. The Cover Page, Item 5 and Item 7 shall be amended by the addition of the following language:

“Based on our financial condition, the State of Maryland, Office of the Attorney General, Securities Division, has required that all initial fees be deferred until such time as we have completed our initial obligations to you and your first Fitness Studio is open for business. In addition, all development fees and initial payments by area developers shall be deferred until the first franchise under the development fee opens.”

2. Item 17(h) under the heading “Cause” defined – defaults which cannot be cured” shall be amended by the addition of the following language at the end of each Summary Section:

“The provision for termination upon bankruptcy may not be enforceable under federal bankruptcy law.”

3. Item 17(v) entitled “Choice of Forum” shall be amended by the addition of the following language at the end of each Summary Section:

“You may bring suit in the State of Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.”

4. Item 17 entitled “RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION” shall be amended by the addition of the following paragraphs at the end of Item 17:

“The general release required as a condition of renewal, sale and/or assignment shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

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

5. No statement, questionnaire or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving ~~any~~ 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.

**ADDENDUM TO AREA DEVELOPMENT AGREEMENT
FOR TBC INTERNATIONAL, LLC
REQUIRED BY THE STATE OF MARYLAND**

In recognition of the requirements of the Maryland Franchise Registration and Disclosure Act, the parties below agree to enter into this Addendum (the "Addendum") to amend the Area Development Agreement of **TBC INTERNATIONAL, LLC** for use in the State of Maryland as follows:

1. The "Whereas" clauses on the first page shall be amended with the addition of the following language:

"WHEREAS, all representations requiring prospective franchisees to assent to a release, estoppel or waiver of liability are not intended to nor shall they act as a release estoppel or waiver of any liability uncured under the Maryland Franchise Registration and Disclosure Law."

2. Section 9, under the heading "DEVELOPMENT FEE" shall be amended by adding the following language to the end of Section 9:

"Based on our financial condition, the State of Maryland, Office of the Attorney General, Securities Division, has required that all initial fees be deferred until such time as we have completed our initial obligations to you and your first Fitness Studio is open for business. In addition, all development fees and initial payments by area developers shall be deferred until the first franchise under the development fee opens."

3. Section 16.C, under the heading "TRANSFER OF INTEREST" shall be amended by adding the following language to the end of Section 16.C:

"The general release required as a condition of renewal, sale, and/or assignment shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law."

4. Section 20.G. under the heading "EXCLUSIVE JURISDICTION" shall be amended by adding the following language to the end of Section 20.G:

"You may bring suit in the State of Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

Any claim arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise."

5. Section 23.K, under the heading "CONSTRUCTION/INTEGRATION CLAUSE" shall be amended by adding the following language to the end of Section 23.K.:

"All representations requiring prospective franchisees to assent to a release, estoppel or waiver of liability are not intended nor shall they act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law."

6. Section 24 under the heading 'CAVEAT' shall be amended by adding the following language to the end ~~of~~ Section 24:

"The representations made in this Agreement requiring a franchisee to assent to a release, estoppel or waiver are not intended to, nor do they act as a release, estoppel or

waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.

The general release required as a condition of renewal, sale, and/or assignment shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.²²

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

7. Each provision of this Addendum shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Maryland Franchise Registration and Disclosure Act and the regulations promulgated thereunder are independently met without reference to this Addendum. This Addendum shall have no force or effect if such jurisdictional requirements are not met.

8. To the extent this Addendum shall be deemed inconsistent with any terms or conditions of the Area Development Agreement, the terms of this Addendum shall govern.

9. Any capitalized terms that are not defined in this Addendum shall have the meaning given to them in the Area Development Agreement.

IN WITNESS WHEREOF, the parties to this Addendum have duly executed, sealed and delivered this Addendum to the Area Development Agreement simultaneously with the signing of the Area Development Agreement.

ATTEST

FRANCHISOR:

TBC INTERNATIONAL, LLC

By: _____

Name: _____

Title: _____

DEVELOPER

By: _____

Name: _____

Title: _____

**WASHINGTON FDD, AREA DEVELOPMENT AND FRANCHISE AGREEMENT
ADDENDUM (applicable to franchises subject to the Washington Franchise Investment
Protection Act)**

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

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

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

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

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

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

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

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

For franchises subject to the Washington Franchise Investment Protection Act, , Section 23.K. of the Area Development Agreement is amended to provide, “This Agreement, all exhibits to this Agreement and all ancillary agreements executed contemporaneously with this Agreement constitute the entire agreement between the parties with reference to the subject matter of this Agreement and supersede any and all prior negotiations, undertakings, representations, and agreements. Except for those changes permitted to be made unilaterally by Franchisor, no amendment, change or variance from this Agreement is binding on either party unless mutually agreed to by the parties and executed by their authorized officers or agents in writing.”

For franchises subject to the Washington Franchise Investment Protection Act, Section 23.M. of the Franchise Agreement is amended to provide, “This Agreement, all exhibits to this Agreement and all ancillary agreements executed contemporaneously with this Agreement constitute the entire agreement between the parties with reference to the subject matter of this Agreement and supersede any and all prior negotiations, undertakings, representations, and agreements. Except for those changes permitted to be made unilaterally by Franchisor, no amendment, change or variance from this Agreement is binding on either party unless mutually agreed to by the parties and executed by their authorized officers or agents in writing.”

The undersigned does hereby acknowledge receipt of this addendum.

Dated this _____ day of _____ 20_____.

FRANCHISOR _____ TBC INTERNATIONAL LLC
FRANCHISEE

EFFECTIVE DATES OF STATE REGISTRATIONS

The following franchise registration and business opportunity states require that a Franchise Disclosure Document be registered or filed with the state or be exempt from registration: California, Florida, Hawaii, Illinois, Indiana, Kentucky, Maryland, Michigan, Minnesota, Nebraska, New York, North Dakota, Rhode Island, South Dakota, Texas, Utah, Virginia, Washington and Wisconsin.

This Franchise Disclosure Document is registered, on file or exempt from registration in the following states:

State	Effective Date
California	Pending4/29/2024
Florida	Pending4/16/2024
Hawaii	Pending
Illinois	Pending4/4/2024
Indiana	Pending4/4/2024
Kentucky	05/13/2011
Maryland	Pending5/3/2024
Michigan	Pending4/3/2024
Minnesota	Pending
Nebraska	10/05/2009
North Dakota	Pending5/7/2024
New York	Pending4/25/2024
Texas	01/03/2011
Utah	Pending
Rhode Island	Pending7/8/2024
South Dakota	Pending4/4/2024
Virginia	Pending4/17/2024
Washington	Pending
Wisconsin	Pending4/4/2024

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 TBC International, LLC offers you a franchise, TBC International, LLC must provide this disclosure document to you 14 calendar days before you sign a binding agreement with, or make a payment to, us or an affiliate in connection with proposed franchise sale.

Iowa, New York and Rhode Island require that TBC International, LLC gives you this disclosure document at the earlier of the first personal meeting or 10 business days in New York and Rhode Island (or 14 calendar days in Iowa) before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship.

Michigan, Oregon and Wisconsin requires that TBC International, LLC gives you this disclosure document at least 10 business days before the signing of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.

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

The franchisor is TBC International, LLC, located at ~~8647 Hayden Place, Culver City, CA 90232-2261~~ [Market Street, Suite 10533, San Francisco, CA 94114](#). Its telephone number is (310) 598-3691.

FTC Issuance Date: April 3, 2024

See the page after Exhibit L for state effective dates.

The name, principal address and telephone number of each franchise seller offering the franchise: Kevin Hogan at 21840 NW Fwy., Ste. C., Cypress TX 77429, (281) 932-7161, Franck Meunier at ~~8647 Hayden Place, Culver City~~ [2261 Market Street, Suite 10533, San Francisco, CA 9023294114](#), (773) 875-5250, and Felicia Alexander at ~~8647 Hayden Place, Culver City~~ [2261 Market Street, Suite 10533, San Francisco, CA 9023294114](#), (310) 598-3691.

TBC International, LLC authorizes the respective state agencies identified on Exhibit E to receive service of process for it in the particular state.

I received a disclosure document dated April 3, 2024 that included the following exhibits:

- | | | | |
|----|-------------------------------|----|---|
| A. | Financial Statements | G. | Electronic Funds Transfer Authorization |
| B. | Area Development Agreement | H. | List of Franchisees |
| C. | Franchise Agreement | I. | General Release |
| D. | State Administrators | J. | CLR Solutions LLC Contracts |
| E. | Agents for Service of Process | K. | State Addenda |
| F. | Table of Contents of Manual | L. | Standard Initial Package |
| | | M. | Receipts |

Date

Signature

Printed Name

You may return the signed receipt either by signing, dating and mailing it to TBC International, LLC, ~~8647 Hayden Place, Culver City, CA 90232~~ [2261 Market Street, Suite 10533, San Francisco, CA 94114](#).

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 TBC International, LLC offers you a franchise, TBC International, LLC must provide this disclosure document to you 14 calendar days before you sign a binding agreement with, or make a payment to, us or an affiliate in connection with proposed franchise sale.

Iowa, New York and Rhode Island require that TBC International, LLC gives you this disclosure document at the earlier of the first personal meeting or 10 business days in New York and Rhode Island (or 14 calendar days in Iowa) before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship.

Michigan, Oregon and Wisconsin requires that TBC International, LLC gives you this disclosure document at least 10 business days before the signing of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.

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

The franchisor is TBC International, LLC, located at ~~8647 Hayden Place, Culver City, CA 90232, 2261 Market Street, Suite 10533, San Francisco, CA 94114~~. Its telephone number is (310) 598-3691.

FTC Issuance Date: April 3, 2024

See the page after Exhibit L for state effective dates.

The name, principal address and telephone number of each franchise seller offering the franchise: Kevin Hogan at 21840 NW Fwy., Ste. C., Cypress TX 77429, (281) 932-7161, Franck Meunier at ~~8647 Hayden Place, Culver City 2261 Market Street, Suite 10533, San Francisco, CA 90232~~94114, (773) 875-5250, and Felicia Alexander at ~~8647 Hayden Place, Culver City 2261 Market Street, Suite 10533, San Francisco, CA 90232~~94114, (310) 598-3691.

TBC International, LLC authorizes the respective state agencies identified on Exhibit E to receive service of process for it in the particular state.

I received a disclosure document dated April 3, 2024, that included the following exhibits:

- | | | | |
|----|-------------------------------|----|---|
| A. | Financial Statements | G. | Electronic Funds Transfer Authorization |
| B. | Area Development Agreement | H. | List of Franchisees |
| C. | Franchise Agreement | I. | General Release |
| D. | State Administrators | J. | CLR Solutions LLC Contract |
| E. | Agents for Service of Process | K. | State Addenda |
| F. | Table of Contents of Manual | L. | Standard Initial Package |
| | | M. | Receipts |

Date

Signature

Printed Name

You may return the signed receipt either by signing, dating and mailing it to TBC International, LLC, ~~8647 Hayden Place, Culver City, CA 90232~~2261 Market Street, Suite 10533, San Francisco, CA 94114.

RETURN THIS COPY TO TBC