

## FRANCHISE DISCLOSURE DOCUMENT



**SNAP FITNESS, INC.**  
a Minnesota corporation  
2411 Galpin Court, Suite 110  
Chanhassen, MN 55317  
(952) 474-5422  
info@snapfitness.com  
www.snapfitness.com

~~www.snapfitness.com/corporate/franchise-opportunities~~  
~~www.facebook.com/SnapFitness247?sk=app\_215781951771324~~  
~~www.linkedin.com/company/snap-fitness-24-7/snap-fitness-~~  
~~franchise-opportunities-available-155491/product~~  
~~https://www.youtube.com/playlist?list=PL018AF7C1A45C77EA~~  
~~www.liftbrands.com/brand#snap~~  
~~http://www.snapfitness.com/fitness-franchise-opportunities~~  
~~https://www.facebook.com/SnapFitness247~~  
~~http://www.linkedin.com/company/166017~~  
~~https://www.youtube.com/user/SnapFitness247~~

The franchise offered is a SNAP FITNESS® Club ("Club") featuring state-of-the-art exercise equipment and 24-hour keycard access for members.

The total investment necessary to begin operation of a single Club ranges from \$~~108,240~~107,275 to \$258,140. This includes \$57,175 to \$105,575 that must be paid to the franchisor or an affiliate.

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

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact ~~Gary Findley~~Scott Schubiger at Snap Fitness, Inc., 2411 Galpin Court, Suite 110, Chanhassen, Minnesota 55317, (952) 474-5422 or at ~~gfindley@snapfitness~~sschubiger@liftbrands.com.

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

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

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

Issuance Date: March ~~15, 2013, as amended December 23, 2013~~28, 2014

## STATE COVER PAGE

Your state may have a franchise law that requires a franchisor to register or file with a state franchise administrator before offering or selling in your state. REGISTRATION OF A FRANCHISE BY A STATE DOES NOT MEAN THAT THE STATE RECOMMENDS THE FRANCHISE OR HAS VERIFIED THE INFORMATION IN THIS DISCLOSURE DOCUMENT.

Call the state franchise administrator listed in Exhibit A for information about the franchisor, about other franchisors, or about franchising in your state.

MANY FRANCHISE AGREEMENTS DO NOT ALLOW YOU TO RENEW UNCONDITIONALLY AFTER THE INITIAL TERM EXPIRES. YOU MAY HAVE TO SIGN A NEW AGREEMENT WITH DIFFERENT TERMS AND CONDITIONS IN ORDER TO CONTINUE TO OPERATE YOUR BUSINESS. BEFORE YOU BUY, CONSIDER WHAT RIGHTS YOU HAVE TO RENEW YOUR FRANCHISE, IF ANY, AND WHAT TERMS YOU MIGHT HAVE TO ACCEPT IN ORDER TO RENEW.

Please consider the following RISK FACTORS before you buy this franchise:

### Risk Factors:

1. THE FRANCHISE AGREEMENT PERMITS YOU TO SUE OR ARBITRATE WITH US ONLY IN MINNESOTA. OUT OF STATE LITIGATION OR ARBITRATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST MORE TO SUE OR ARBITRATE WITH US IN MINNESOTA THAN IN YOUR HOME STATE.
2. THE FRANCHISE AGREEMENT STATES THAT MINNESOTA LAW GOVERNS THE AGREEMENT, AND THIS LAW MAY NOT PROVIDE THE SAME PROTECTIONS AND BENEFITS AS LOCAL LAW. YOU MAY WANT TO COMPARE THESE LAWS.
3. YOUR FRANCHISE AGREEMENT MAY BE TERMINATED IF AN AUTHORIZED LOCATION IS NOT DESIGNATED WITHIN 90 DAYS FROM THE DATE OF THE AGREEMENT OR YOUR CLUB IS NOT OPERATING WITHIN 90 DAYS OF THE DATE THE FRANCHISE AGREEMENT WAS SIGNED OR WHEN THE AUTHORIZED LOCATION IS DESIGNATED, WHICHEVER OCCURS LATER.
4. THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.

We use the services of one or more FRANCHISE BROKERS or referral sources to assist us in selling our franchise. A franchise broker or referral source represents us, not you. We pay this person a fee for selling our franchise or referring you to us. You should be sure to do your own investigation of the franchise.

Effective Date: See State Effective Dates Page

## STATE EFFECTIVE DATES

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

This Franchise Disclosure Document is registered, on file, or exempt from registration in the following states having franchise registration and disclosure laws, with the following effective dates:

State	Effective Date
California	<del>March 15, 2013, as amended December 23, 2013</del>
Hawaii	<del>March 26, 2013, as amended January 3, 2014</del>
Illinois	<del>March 15, 2013, as amended December 23, 2013</del>
Indiana	<del>March 15, 2013, as amended December 23, 2013</del>
Maryland	<del>March 20, 2013, as amended December 23, 2013</del>
Michigan	<del>March 15, 2013, as amended December 23, 2013</del>
Minnesota	<del>March 26, 2013, as amended December 30, 2013</del>
New York	<del>March 15, 2013, as amended December 23, 2013</del>
North Dakota	<del>March 18, 2013, as amended December 23, 2013</del>
Rhode Island	<del>March 19, 2013, as amended December 23, 2013</del>
South Dakota	<del>March 18, 2013, as amended December 23, 2013</del>
Virginia	<del>March 16, 2013, as amended December 30, 2013</del>
Washington	<del>March 26, 2013, as amended January 8, 2014</del>
Wisconsin	<del>March 15, 2013, as amended December 30, 2013</del>

In all other states, the effective date of this Franchise Disclosure Document is the issuance date of March ~~15, 28, 2014~~~~2013, as amended December 23, 2013~~.

**NOTICE REQUIRED  
BY  
STATE OF MICHIGAN**

**THE STATE OF MICHIGAN PROHIBITS CERTAIN UNFAIR PROVISIONS THAT ARE SOMETIMES IN FRANCHISE DOCUMENTS. IF ANY OF THE FOLLOWING PROVISIONS ARE IN THESE FRANCHISE DOCUMENTS, THE PROVISIONS ARE VOID AND CANNOT BE ENFORCED AGAINST YOU.**

Each of the following provisions is void and unenforceable if contained in any documents relating to a franchise:

- (a) A prohibition on the right of a franchisee to join an association of franchisees.
- (b) A requirement that a franchisee assent to a release, assignment, novation, waiver, or estoppel which deprives a franchisee of rights and protections provided in this act. This shall not preclude a franchisee, after entering into a franchise agreement, from settling any and all claims.
- (c) A provision that permits a franchisor to terminate a franchise prior to the expiration of its term except for good cause. Good cause shall include the failure of the franchisee to comply with any lawful provision of the franchise agreement and to cure such failure after being given written notice thereof and a reasonable opportunity, which in no event need be more than 30 days, to cure such failure.
- (d) A provision that permits a franchisor to refuse to renew a franchise without fairly compensating the franchisee by repurchase or other means for the fair market value at the time of expiration of the franchisee's inventory, supplies, equipment, fixtures, and furnishings. Personalized materials which have no value to the franchisor and inventory, supplies, equipment, fixtures, and furnishings not reasonably required in the conduct of the franchise business are not subject to compensation. This subsection applies only if: (i) the term of the franchise is less than 5 years and (ii) the franchisee is prohibited by the franchise or other agreement from continuing to conduct substantially the same business under another trademark, service mark, trade name, logotype, advertising, or other commercial symbol in the same area subsequent to the expiration of the franchise or the franchisee does not receive at least six months advance notice of franchisor's intent not to renew the franchise.
- (e) A provision that permits the franchisor to refuse to renew a franchise on terms generally available to other franchisees of the same class or type under similar circumstances. This section does not require a renewal provision.
- (f) A provision requiring that arbitration or litigation be conducted outside this state. This shall not preclude the franchisee from entering into an agreement, at the time of arbitration, to conduct arbitration at a location outside this state.
- (g) A provision which permits a franchisor to refuse to permit a transfer of ownership of a franchise, except for good cause. This subdivision does not prevent a franchisor from exercising a right of first refusal to purchase the franchise. Good cause shall include, but is not limited to:

**THE MICHIGAN NOTICE APPLIES ONLY TO FRANCHISEES WHO ARE RESIDENTS OF MICHIGAN OR LOCATE THEIR FRANCHISES IN MICHIGAN.**



- (i) The failure of the proposed transferee to meet the franchisor's then current reasonable qualifications or standards.
- (ii) The fact that the proposed transferee is a competitor of the franchisor or subfranchisor.
- (iii) The unwillingness of the proposed transferee to agree in writing to comply with all lawful obligations.
- (iv) The failure of the franchisee or proposed transferee to pay any sums owing to the franchisor or to cure any default in the franchise agreement existing at the time of the proposed transfer.

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

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

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

Any questions regarding this notice should be directed to the Michigan Department of Attorney General, Consumer Protection Division, Franchise Unit, 525 W. Ottawa Street, G. Mennen Williams Building, 1<sup>st</sup> Floor, Lansing, Michigan 48913, telephone (517) 373-7117.

**THIS MICHIGAN NOTICE ONLY APPLIES TO FRANCHISEES WHO ARE RESIDENTS OF MICHIGAN OR LOCATE THEIR FRANCHISES IN MICHIGAN.**

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## STATE APPENDIX

### EXHIBITS

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## ITEM 1

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

To simplify the language in this disclosure document, “we” or “us” means Snap Fitness, Inc., the franchisor. “You” means the person or entity that buys the franchise. If the franchisee is a corporation, partnership or other entity, “you” does not include the franchisee’s owners unless otherwise stated. Certain provisions of the Franchise Agreement will apply to your owners and will be noted in this Disclosure Document.

#### The Franchisor, its Parent and Affiliates

We are a Minnesota corporation incorporated on October 9, 2003. We initially were formed under the name AFC24 Hour Fitness, Inc., and changed our name to Snap Fitness, Inc. We currently do business only under our corporate name and under the trade name SNAP FITNESS®. Our principal place of business is 2411 Galpin Court, Suite 110, Chanhassen, MN 55317. Our agents for service of process are disclosed in Exhibit A to this Disclosure Document. We have been offering franchises described in this Disclosure Document since March 2004. We have never offered franchises in any other line of business.

We have no predecessor. We are a wholly owned subsidiary of Lift Brands, Inc. (“Lift Brands”), a Delaware corporation, which is our direct parent company. The name and principal business address of each of the companies that directly or indirectly control us and our parent company are as follows:

Name of Company	Principal Business Address	Ownership or Control of Company
TZP Capital Partners II, L.P. and TZP Capital Partners II-A (Blocker), L.P.	c/o 7 Times Square, Suite 4307 New York, New York 10036	Our “Ultimate Parent”
Snap Investments, LLC	2411 Galpin Court, Suite 110, Chanhassen, MN 55317	Owned by TZP Capital Partners II, L.P. and TZP Capital Partners II-A (Blocker), L.P. and minority co-investors
Snap Fitness Holdings, Inc.	2411 Galpin Court, Suite 110, Chanhassen, MN 55317	Majority-owned by Snap Investments, LLC
Lift Brands, Inc.	2411 Galpin Court, Suite 110, Chanhassen, MN 55317	Wholly owned by Snap Fitness Holdings, Inc.

Our wholly owned subsidiary, Snap Security Systems, Inc. (formerly known as Superior Security Systems, Inc.) (“Snap Security”), a Minnesota corporation, provides security equipment, installation support, and security services for Snap Fitness clubs. Our wholly-owned subsidiary, Snap Fitness Finance, LLC (“Snap Finance”), a ~~Minnesota~~Nevada limited liability company, provides financing programs and services to our franchisees. See Item 10 for additional financing information. SAP Insurance Inc. (“SAP Insurance”), a Utah corporation and licensed insurance company facilitates the SAPP insurance program (see Item 11 for additional information about insurance). Our wholly-owned subsidiary GoFit, LLC (“GoFit”), a Nevada limited liability company, licenses club management software to franchisees. Our wholly-owned subsidiary, Wholesale Fitness Supply, LLC (formerly known as Snap Fitness Wholesale, LLC) (“Wholesale Fitness Supply”), a Minnesota limited liability company, may provide services or sell products to franchisees. ~~Other affiliates that may provide services or sell products to our franchisees in the future include SFI Digital Media, LLC (“SFI Digital Media”) and GoFit, LLC (“GoFit”), both~~ a Nevada limited liability company, may provide digital advertising services to franchisees.

Snap Security, SAP Insurance, Snap Finance, Wholesale Fitness Supply, SFI Digital Media and GoFit each maintain their principal business address at 2411 Galpin Court, Suite 110, Chanhassen, MN 55317. Snap Security, SAP Insurance, Snap Finance, SFI Digital Media and GoFit have never offered franchises in any line of business.

We have wholly-owned foreign subsidiaries that grant franchises and provide franchise support to our franchisees outside the United States. As of the date of this Disclosure Document, these are:

- *Snap Fitness of Canada, Inc.* (“Snap Canada”), a Canadian corporation. Snap Canada has offered franchises in Canada since April 2008. Snap Canada’s address is Suite 2300, Bentall 5, 550 Burrard Street, Box 30, Vancouver, BC V6C 2B5, Canada.
- *Snap Fitness (India) Private Limited* (“Snap India”), an Indian private limited company. Snap India offered franchises in India from January 2009 to March 2012 when we appointed a master franchisee in India. Snap India’s address is #41/A FF B.D.A, Complex, H.S.R. Layout, 4<sup>th</sup> Sector, Bangalore, Karnataka 5601102, India.
- *Snap Fitness Mexico S. de R.L. de C.V.* (“Snap Mexico”), a Mexico limited liability entity. From January 2009 to August 2011, we offered franchises directly in Mexico and from September 2011 to November 2012 Snap Mexico offered franchises in Mexico. In December 2012, we appointed a master franchisee for Mexico. Snap Mexico’s address is at Iglesia 2 Torre E 1204 Tizapan San Angel, 01090, Federal District, Mexico.
- *Snap Fitness (Australia) Pty Ltd.* (“Snap Australia”), an Australian proprietary limited company. From June 2009 to April 2010, we directly offered franchises in Australia and since April 2010 Snap Australia has offered franchises in Australia. Snap Australia’s address is 315 Ferntree Gully Road, Mount Waverley, VIC 3149.
- *Snap Fitness New Zealand Limited* (“Snap New Zealand”), a New Zealand limited company. Snap New Zealand has offered franchises in New Zealand since November 2009. Snap New Zealand’s address is Ground Floor, Princes Court, 2 Princes Street, Auckland 1010.
- *Snap Fitness UK Limited* (“Snap UK”), a UK limited company. Snap UK has offered franchises in the UK since October 2009. Snap UK’s address is 120 Edmund Street, Birmingham, B3 2ES.

None of Summit, Snap Security, Snap Canada, Snap Australia, Snap New Zealand, Snap Mexico or Snap UK has ever operated a business of the type described in this Disclosure Document. While we do not directly operate a business of the type described in this Disclosure Document, we have several subsidiaries that do operate SNAP FITNESS clubs (see Item 20 for the U.S. locations).

In January 2012, our affiliate, Kosama Holdings, LLC (“Kosama Holdings”), acquired all of the intellectual property relating to the operation of fitness clubs featuring a complete body transformation program, that do business under the trade name and service mark “KOSAMA.” At the time of the acquisition on January 3, 2012, there were 16 KOSAMA® clubs operating in four states. Our affiliate, Kosama Franchising, LLC, began franchising the operation of KOSAMA® clubs in the United States in January 2012. Our affiliate, Kosama Franchising of Canada, Inc., a Canadian corporation, has offered Kosama franchises in Canada since June 2012 and has the same address as Snap Canada. Our affiliate, Kosama Franchising (Australia) Pty Ltd, an Australian proprietary limited company, has offered Kosama Franchises since September 2012 and has the same address as Snap Australia. Our affiliate Kosama New Zealand Limited, a New Zealand company has offered Kosama franchises in New Zealand since August 2012 and has the same address as Snap New Zealand.

Kosama Holdings and Kosama Franchising share our principal business address at 2411 Galpin Court, Suite 110, Chanhassen, MN 55317. Neither Kosama Holdings nor Kosama Franchising have ever offered franchises in any other line of business.

Our Ultimate Parent is a private equity fund associated with TZP Group, LLC (“TZP Group”), a private equity firm headquartered in New York City. Another private equity fund associated with TZP Group currently holds an interest in Dwyer Franchising, LLC (formally known as The Dwyer Group, Inc.), a company that serves as a holding company for seven residential and commercial franchise service brands:

- Rainbow International LLC (“Rainbow International”) franchises the operation of businesses that provide carpet cleaning, dyeing, repair, reinstallation and related services; upholstery, drapery and ceiling cleaning and related services; deodorization services; air duct cleaning services; water, smoke and disaster restoration services; mold remediation services. Rainbow International has offered these franchises since 1981. As of December 31, ~~2012~~2013, Rainbow International had ~~275~~277 franchises in the United States.
- Aire Serv LLC (“Aire Serv”) franchises the operation of businesses that provide installation, maintenance and repair of residential and commercial heating, ventilating and air-conditioning equipment under the name AIRE SERV®. Aire Serv has offered these franchises since 1992. As of December 31, ~~2012~~2013, Aire Serv had ~~145~~152 franchises in the United States.
- Mr. Rooter LLC (“Rooter”) franchises the operation of businesses that perform residential and commercial plumbing and plumbing repair services; sewer, drain and pipe cleaning services; water heater replacement; TV pipe inspection; line and leak detection; hydronics; excavation, replacement and repair/relining of sewer lines and other related services and products under the name MR. ROOTER®. Rooter has offered these franchises since 1993. As of December 31, ~~2012~~2013, Rooter had ~~222~~212 franchises in the United States.
- Mr. Electric LLC (“Electric”) franchises the operation of businesses that perform electrical services and repairs under the name MR. ELECTRIC®. Electric has offered these franchises since 1994. As of December 31, ~~2012~~2013, Electric had ~~131~~130 franchises in the United States.
- Mr. Appliance LLC (“Appliance”) franchises the operation of businesses that perform and provide service and repair on all major appliances for residential and commercial customers under the name MR. APPLIANCE®. Appliance has offered these franchises since 1996. As of December 31, ~~2013~~2012, Appliance had ~~140~~152 franchises in the United States.
- Synergistic International LLC d/b/a Glass Doctor (“Glass Doctor”) franchises the operation of businesses that repair and replace auto and flat glass under the name GLASS DOCTOR® and also periodically offered regional or area franchises that solicit prospective franchisees and/or provide services to its franchisees in selected areas. Glass Doctor has offered these franchises since 2004. As of December 31, ~~2013~~2012, Glass Doctor had ~~167~~163 franchises in the United States.
- The Grounds Guys LLC (“Grounds Guys”) has offered franchises which perform and provide summer and winter commercial, residential and municipal property maintenance and landscaping services and other related products and services under the name GROUNDS GUYS®. Grounds Guys has offered these franchises since 2010. As of December 31, ~~2013~~2012, Grounds Guys had ~~70~~117 franchises in the United States.

Dwyer Franchising, LLC also holds or is affiliated with entities that operate or franchise the operation of the above brands outside the United States. Neither Dwyer Franchising, LLC nor any of its subsidiaries have ever operated a business of the type that you will operate or offered franchises providing the type of business that you will operate. Dwyer Franchising, LLC and each of the franchising subsidiaries described above maintain their principal business address at 1010-1020 North University Parks Drive, Waco, Texas 76707.

#### The Franchise Offered

We have developed a proprietary business format and system (“System”) for operating a fitness and workout club (“Club”) featuring state-of-the-art exercise equipment; 24-hour personal keycard access for members (except as restricted by law); online training tools; automated member billing and collection procedures and services; and use of our proprietary and confidential information. Our System includes a distinct interior layout, design, décor, color scheme, graphics, fixtures and furnishings, operating and

customer service standards and procedures, advertising and marketing specifications and requirements, and other standards, specifications, techniques and procedures that we designate (collectively, the “Standards”). Clubs operating under the System are identified by the trade name and service mark “SNAP FITNESS” and other trademarks, service marks and trade identifiers that we designate (the “Marks”).

We grant qualified candidates the right to operate one or more SNAP FITNESS® Clubs according to our Franchise Agreement (see Exhibit C) and our Standards which will be communicated to you via our confidential operations manuals (the “Manual”) (see Item 11).

#### Market Accelerator Program

We grant qualified candidates the right to develop three Clubs for a reduced initial franchise fee of \$45,000 total (a discount of \$13,500) according to our Market Accelerator Program. If we grant you franchise rights according to our Market Accelerator Program, you will sign three Franchise Agreements at the same time, and commit to opening the first Club within six months after the Franchise Agreements are signed, the second Club within one year after the Franchise Agreements are signed, and the third Club within 18 months after the Franchise Agreements are signed. During the development period, we will neither develop nor license anyone else the right to develop a Club physically located in the preliminary designated area noted on your franchise agreement (or the preliminary designated area as changed or added under our then-current site selection policy). See the Market Accelerator Program Addendum attached as Attachment H to the Franchise Agreement.

#### The Market and Competition

The market for fitness and workout clubs is well developed and very competitive. You will compete with other fitness clubs offering similar services, including national franchise systems and other regional or local chains. You also will compete to a certain extent with public recreation centers and not-for-profit community organizations, such as the YMCA. Before selecting a site for your Club, you should survey the area for existing competitors and, in new or undeveloped areas, be aware that a competitor may enter the market at any time.

Typically our services are sold to individuals and are not seasonal, although you may experience peak months and membership fluctuations. For example, January is typically a busier month for health clubs.

#### Industry Specific Laws and Regulations

In addition to laws and regulations that apply to businesses generally, your Club will be subject to various federal, state and local government regulations, including those relating to site location and building construction, such as the Americans with Disabilities Act.

The physical fitness industry, particularly providing services through for-profit clubs, is subject to extensive regulation at the local, state and federal levels. Many states have enacted specific laws (1) regulating membership contract length and terms, advertising and limitations on pre-opening sales, and (2) requiring bonding, buyer’s remorse cancellation rights for limited periods (usually three to ten days after sale), and cancellation and partial refund rights for medical or relocation reasons. At the federal level, health clubs who sell memberships on credit may be subject to the federal Truth-In-Lending Act and Regulation Z and various other credit-related statutes like the Equal Credit Act and Fair Debt Collection Practices Act.

Some states have laws that require and regulate the content of service contracts and/or that require the presence of at least one person trained in administering CPR and/or to use an external defibrillator. Many states also require that certain types of fitness centers be equipped with working defibrillators.

You may also choose to offer tanning and some states and municipalities also have laws or regulations specific to tanning services. The state tanning laws include regulations requiring trained operators present during tanning, specific operating procedures and recordkeeping, registration and other requirements. In



addition, under the Health Care Reform Bill, effective July 1, 2010, you are required to collect sales tax on tanning services and remit those taxes to the Internal Revenue Service.

**It is solely your responsibility to comply with all applicable laws and regulations and to obtain and keep in force all necessary licenses and permits required by public authorities. Before purchasing the franchise we strongly urge you to hire an attorney to review local, state and federal laws that may affect your operations or impact your operating costs.**

## ***ITEM 2*** **BUSINESS EXPERIENCE**

### Peter Taunton – Director and President/CEO

Peter Taunton founded the SNAP FITNESS concept and has served as our President/CEO and Director since our inception in October 2003. Peter has also served as Chief Executive Officer of our affiliate, Kosama Franchising, LLC, since November 29, 2011. Since February 2013, Peter also has served on the Board of Managers of 9Round Franchising, LLC, a franchise company in which we own a minority interest, located in Greenville, South Carolina. He has been an owner and operator of health clubs for over 25 years.

### Scott Schubiger – Senior Vice President of Franchise Development

Scott joined us in February 2014 as our Senior Vice President of Franchise Development. From February 2012 to February 2014, Scott was the Senior Vice President of Sales with Rita's Ice Franchise Co. based in Trevoise, Pennsylvania. From January 2009 to February 2012, Scott was the Sales Director for Hewlett Packard in Palo Alto, California.

### Steve Lundquist – VP, Finance

Steve joined us in December 2007 and currently serves as our VP, Finance.

### Michael Grunklee – Corporate Controller

Mike joined us in November 2012 and currently serves as our Controller. From December 2011 to October 2012, Mike served as Corporate Controller for Delphax Technologies, Inc. in Bloomington, Minnesota. From prior to 2008 to December 2011, Mike served as an Audit Director for McGladrey & Pullen, LLP in Minneapolis, Minnesota.

### Alison McElroy – General Counsel

Ali joined us in June 2009 as our General Counsel. Ali has also served as Secretary of our affiliate, Kosama Franchising, LLC, since November 29, 2011. From October 2005 to May 2009, Ali was an attorney with the law firm of Faegre & Benson, LLP (now Faegre Baker Daniels) in Minneapolis, Minnesota advising clients on franchise, corporate and international law.

### Nathan Chandrasekaran - Director

Nathan Chandrasekaran has served as our Director since December 2013. Since September 2007, Mr. Chandrasekaran has been a Principal of TZP Group, LLC, a private equity firm based in New York City. Mr. Chandrasekaran also serves as a member of the Boards of Directors of DLT Solutions, LLC, with headquarters in Herndon, Virginia, since 2009, BQ Resorts, LLC, with headquarters in Las Vegas, Nevada since 2013, and The Dwyer Group Investment Holdings, Inc., with headquarters in Waco, Texas, since 2010.

### Daniel H. Galpern – Director

Daniel Galpern has served as our Director since December 2013. Since August 2008, Mr. Galpern has been a Partner of TZP Group, LLC, a private equity firm based in New York City. Mr. Galpern also has



served as a member of the Board of Directors of Children's Rights, Inc. with headquarters in New York City since 2002, and as a Director of Water Cooler Group, with headquarters in Norwalk, Connecticut, since 2011. Mr. Galpern is also a member of the Executive Committee of the Gotham Chapter of the YPO.

Samuel L. Katz – Director

Sam Katz has served as our Director since December 2013. Since March 2007, Mr. Katz has served as Managing Partner of TZP Group, LLC, a private equity firm based in New York City. Mr. Katz also is a Director of PennantPark Investment Corporation and PennantPark Floating Rate Capital, Ltd., as well as Founder and President of the Youth Renewal Fund. Mr. Katz also serves as Director and President of The Dwyer Group Investment Holdings, Inc., the parent of Dwyer Franchising LLC, with headquarters in Waco, Texas, and has held positions with several of its affiliates, since 2010. Additionally, Mr. Katz has served as a member of the board of Directors of DLT Solutions, LLC, with headquarters in Herndon, Virginia, since 2009, Water Cooler Group, with headquarters in Norwalk, Connecticut, since 2011, Total Military Management, with headquarters in Jacksonville, Florida, since 2012, BQ Resorts, LLC, with headquarters in Las Vegas, Nevada since 2013, and Thing5, with headquarters in Springfield, Massachusetts since 2013.

~~Gary A. Findley – Vice President, Global Franchise Sales~~

~~Gary served as a member of our Board of Directors from May 2008 through December 2013. He has held various executive positions with us, and currently serves as our Vice President, Global Franchise Sales. Since February 2013, Gary also has served as Director of Franchise Sales for 9Round Franchising, LLC, located in Greenville, South Carolina. From July 2004 to October 2008, Gary served as President of the Findley Group in Waco, Texas.~~

~~Steve Lundquist – VP, Finance~~

~~Steve joined us in December 2007 and serves as our VP, Finance.~~

~~Michael Grunklee – Corporate Controller~~

~~Mike joined us in November 2012 and serves as our Corporate Controller. From December 2011 to October 2012, Mike served as Corporate Controller for Delphax Technologies, Inc. in Bloomington, Minnesota. From prior to 2008 to December 2011, Mike served as an Audit Director for McGladrey & Pullen, LLP in Minneapolis, MN.~~

~~Alison McElroy – General Counsel~~

~~Ali joined us in June 2009 as our General Counsel. Ali has also served as Secretary of our affiliate, Kosama Franchising, LLC, since November 29, 2011. From October 2005 to May 2009, Ali was an attorney with the law firm of Faegre & Benson, LLP in Minneapolis, MN advising clients on franchise, corporate and international law.~~

**ITEM 3  
LITIGATION**

Pending Actions

*Snap Fitness, Inc. v. M2J, LLC, Matthew Jermov, Emily Jermov, Endeavor Fitness, LLC, Michael Jermov, and Connie Jermov, Case No. 13-14449 (E.D. Mich.)*

Snap Fitness commenced this lawsuit to enforce the post-expiration obligations contained in a franchise agreement signed by M2J, LLC and personally guaranteed by Matthew Jermov. After the expiration of the franchise agreement, Matthew Jermov purportedly transferred his Snap Fitness facility to his parents, Michael and Connie Jermov. Emily Jermov formerly worked in the Snap Fitness facility and became the

membership director of the new competing business, operated under the name Endeavor Fitness. Snap Fitness filed a complaint seeking to enforce the franchise agreement's post-expiration obligations, including its covenant against competition. Defendants filed a counterclaim against Snap Fitness, alleging that Snap Fitness had failed to provide contractually required support under the franchise agreement and had tortiously interfered with the operation of the Endeavor Fitness business. Snap Fitness ~~plans to file~~ has filed an answer to the defendants' counterclaim ~~in~~ through which it has denied liability for defendants' claims. Snap Fitness plans to defend itself vigorously against the defendants' counterclaims and to aggressively pursue enforcement of the post-term covenants.

Jack Cannon III and Sabrina Madison-Cannon v. Snap Fitness, Inc., American Arbitration Association Case No. 65 114 12 14, Minneapolis, MN.

The Cannons are former franchisees who elected not to complete the renewal of their franchise agreement. The Cannons commenced this arbitration proceeding on January 24, 2014 alleging that Snap Fitness' refusal to extend the franchise agreement constituted a termination of the franchise agreement in violation of the Missouri Franchise Law. They also allege that Snap Fitness breached the franchise agreement, tortiously interfered with their prospective business advantage and wrongfully converted funds. Snap Fitness denies liability and plans to defend itself vigorously against the Cannons' allegations.

#### Concluded Actions

Meredith Tuntland v. Snap Fitness, Inc., American Arbitration Association, Case No. 65 114 Y 00088 10, Minneapolis, MN. On February 9, 2010, Meredith Tuntland, a franchisee, filed a demand for arbitration ("Demand") against us seeking damages of \$514,244 and other unspecified relief. In the Demand, Ms. Tuntland alleged claims for fraudulent misrepresentation, breach of contract, interference with contractual and prospective contractual relations, fraud, and violation of the Minnesota Franchises Act, all in connection with a dispute over the designated area of a franchise she purchased from previous owners. On January 4, 2011, an arbitrator issued a final award to Ms. Tuntland for breach of contract and awarded a total of \$ 305,453.63 in damages, fees and expenses.

#### Franchisor Initiated Action

Snap Fitness, Inc. v. Kevin and Kenneth Blum, Case No. 13-cv-01113 JNE-JJK (D. Minn.)

Snap Fitness was party to a franchise agreement with Kevin Blum, which was personally guaranteed by Kenneth Blum. The franchise agreement expired by its terms in February 2013. Upon the expiration of the franchise agreement, the Blums continued to make use of Snap Fitness' trademarks and confidential business information in connection with the operation of a competing fitness facility at the same location as their formerly licensed facility. Snap Fitness commenced this action to enforce the Blums' post-expiration obligations, including their obligation to remove Snap Fitness' trademarks and abide by the terms of the franchise agreement's covenant against competition. The parties resolved this action by entering into a settlement agreement through which the Blums signed a renewal franchise agreement and re-opened their facility as a Snap Fitness® location.

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

### **ITEM 4 BANKRUPTCY**

No bankruptcy is required to be disclosed in this Item.

### **ITEM 5 INITIAL FEES**

#### Initial Franchise Fee

You will pay us an initial franchise fee when you sign a Franchise Agreement. If you are acquiring franchise rights for a single Club, the initial franchise fee is \$19,500. If you are acquiring franchise rights for three Clubs according to our Market Accelerator Program (see Item 1), the total initial franchise fee is \$45,000.

If you are an existing franchisee with an open club, you are eligible for an incentive program to open an additional club this year. Under the incentive program, the Initial Franchise Fee is waived and you are eligible for a \$5,000 marketing credit and several incentives from third party vendors. The club under this program must be open by December 1, 2014 (with its first membership billing cycle on or before December 1, 2014). See the sample addendum in Exhibit I for details.

The initial franchise fee is payable in full when the Franchise Agreement is signed, and is considered fully earned and nonrefundable upon payment. Although the initial franchise fee is uniform for all franchisees, in the past, we have negotiated the initial franchise fee in very limited circumstances where we felt the situation was appropriate. In ~~2013~~2012, the initial franchise fee varied from ~~\$7,500~~\$15,000 to ~~\$15,000~~\$19,500.

We currently participate in the IFA's VetFran program and offer a \$5,000 discount off the initial franchise fee for qualified veterans. If you qualify for this program, the initial franchise fee for one Club is \$14,500 and the initial fee for three Clubs under the Market Accelerator Program is \$40,000. ~~In addition, if you are a current franchisee and you commit to opening four additional Clubs over two years under our "Platinum" preferred vendor financing program (see Item 10), you may be eligible for a discount of \$5,000 for each of the four franchise agreements. See Item 17 regarding the purchase option applicable to this program and the addendum attached as Exhibit I.~~

#### GO FAST™ KIT

Before opening, you will purchase the GO FAST kit from us or our affiliate which includes marketing and promotional materials, personal training supplies and free weights, an initial inventory of access cards, and certain fixtures including cabinets and cubbies. The current purchase price for the standard GO FAST kit is ~~\$19,184~~\$18,425, plus shipping, and is payable in full before the Club opens. If you choose to add items to the GO FAST kit (for example, ~~easyFIT™ devices~~, tanning or additional weights or cubbies), the purchase price may be higher and will generally range from ~~\$19,184~~\$18,425 to \$33,750.

In ~~2013~~2012, the amounts paid by franchisees opening new SNAP FITNESS clubs for the GO FAST kit ranged from ~~\$16,610~~\$17,14 to ~~\$46,687~~\$39,642 (plus tax). The GO FAST kit price is payable in full in advance and is nonrefundable upon payment.

#### Door Access, Security and Surveillance System

You will pay Snap Security for door access, security and surveillance equipment and installation support before your Club opens. The standard door access, security and surveillance system includes door access components, panic system, camera and surveillance equipment, televisions and related items. The price for the standard security and surveillance system ranges from \$18,000 to \$25,000, which includes installation.

In ~~2013~~2012, the payments for these products and services ranged from ~~\$16,985~~\$15,813 to ~~\$22,589~~\$33,678 (plus tax). The amount you pay will depend on the square footage of the club, the number of doors and whether you purchase certain optional components (such as TVs) from Snap Security or another vendor that meets our specifications.

#### FitnessOnDemand™ and MyZone

If you choose to offer the FitnessOnDemand or MyZone products at your club, you will pay our affiliate for the equipment and installation before your Club opens. The price for the standard FitnessOnDemand system, including installation, is ~~\$999~~\$10,495. The price for a MyZone system ranges from \$1,495 to \$6,530.

### LED Lighting

Our affiliate, Wholesale Fitness Supply sells energy efficient LED lighting that you may choose to install in your club. The price for the LED bulbs and installation ranges from \$3,000 to \$10,000.

### Snap Asset Protection Plan

We have established an insurance plan for the benefit of our franchisees called the Snap Asset Protection Plan (SAPP). You must have insurance from the date you sign your lease. The insurance premium is collected by us as the billing administrator and forwarded to the insurance providers. We estimate the amount you pay for this insurance prior to opening will be \$250-\$800. See Item 8 for additional information about insurance.

## **ITEM 6 OTHER FEES**

Type of Fee (Note 1)	Amount	Due Date	Remarks
Continuing Fee	<del>\$489</del> 499 per month	Monthly	Subject to increase by an amount not to exceed the increase in Consumer Price Index.
National Marketing Fee	<del>\$125</del> 130 per month	Monthly	Subject to increase by an amount not to exceed the increase in the Consumer Price Index.
Local Marketing Fund or Cooperative Advertising Contribution	\$200 per month (Note 2)	Monthly	See Item 11 for more information about our right to set up and require participation in a Local Marketing Fund or an Advertising Cooperative.
Member Service Fees	Currently, one-time \$1.00 online services fee for each new member (Note 3)	Monthly	Note 3.
Website Fee	<del>\$30</del> 31 per month	Monthly	Subject to increase by an amount not to exceed the increase in the Consumer Price Index.
Membership Processing Fees and Cost	One-time fee of <del>\$5.20</del> 30 for each new membership agreement; continuing <del>\$.55</del> 56 fee per month membership maintenance fee for each membership enrolled at your Club. Then-current price for door access cards (currently \$5.00).	One-time fees – at enrollment by electronic funds transfer. Ongoing maintenance fee for each membership enrolled at your Club, transferred every 5 <sup>th</sup> day of the month for which the fee is due.	Subject to increase by an amount not to exceed the increase in the Consumer Price Index.  (Note 4)
Fitware	\$69 per month	Monthly	We intend to launch a new club management and billing software

Type of Fee (Note 1)	Amount	Due Date	Remarks
			system licensed from our affiliate GoFit, LLC. Once launched, you will pay the then-current monthly license fee for the software.
Fitness on Demand (optional)	\$149.99 per month	Monthly	If you choose to install the Fitness On Demand automated group fitness class system in your club, you will pay Wholesale Fitness Supply d/b/a Fitness On Demand the then-current monthly fee for access to the programmed classes. <u>You may also add additional content options for additional fees.</u> The fee is collected by us with your monthly royalties.
MyZone (optional)	\$150 per month	Monthly	If you choose to install the MyZone heart rate monitor system in your club, you will pay Wholesale Fitness Supply d/b/a Fitness On Demand the then-current monthly license fee. This fee is collected by us with your monthly royalties.
Reimbursement Processing Fee	\$35 per month	Monthly	Note 5
Member Engager	\$30 per month	Monthly	Note 5
<u>Online Acquisition Fee</u>	<u>\$15 per online enrollment</u>	<u>As incurred</u>	
Audits	Cost of audit plus interest at the maximum rate allowable by law	Immediately upon receipt of bill.	You pay for cost of audit only if it shows an understatement of Memberships or revenue.
Transfer Fee	<del>\$2,500</del> \$5,000 if transferee is an existing SNAP FITNESS® franchisee. If the transferee is new to the system, the transfer fee is equal to the then-current Initial Franchise Fee.	Upon application for consent to transfer.	Payable when you transfer your franchise. See Item 17 for additional information on transfers.
Costs and Attorneys' Fees	Will vary under circumstances.	As incurred	Payable only if your non-compliance with the Franchise Agreement causes us to incur legal expenses.

Type of Fee (Note 1)	Amount	Due Date	Remarks
Insurance	\$250 - \$400 monthly.	As incurred	See Item 8 for more information on the SAPP insurance program.
Interest	18% per annum.	Upon demand	Payable only if you fail to pay amounts owed to us when due.
Indemnification	Will vary under the circumstances.	As incurred	You must reimburse us if we are held liable for claims arising out of your franchise operations.
Supplier Review Fee	Our costs and expenses, which are currently expected to range between \$1,000 and \$3,000, although costs could exceed those amounts depending on the product.	As incurred	See Item 8 for more information on approved suppliers.
Modernization and Maintenance Costs	Our reasonable costs and expenses which will vary.	Upon demand	You must maintain the franchise according to our system standards and modernize the Club after five years. If you fail to maintain or modernize your club according to our standards, we may complete these for you and you must pay us our reasonable costs.
Securities Offering Costs	Will vary under the circumstances.	Upon demand	If you engage in a private offering of securities, we must review the prospectus or other offering documents and you will pay our costs for that review.

### Notes

(1) All fees are imposed by, payable to, and collected by us unless otherwise noted. All fees are imposed uniformly and are non-refundable upon payment. As noted in the chart above, several fees paid to us are subject to adjustment over the ten-year agreement term based on increases in the Consumer Price Index (CPI). Adjustments based on the CPI will be made no more than once per year.

(2) Each local advertising cooperative may elect to increase the monthly contribution if approved by a two-thirds majority of the members and the minimum contribution is subject to adjustment by an amount not to exceed the increase in the CPI. The Spokane, WA cooperative increased the contribution to \$250 per month. Clubs owned by us and our affiliates are also members of their respective local Cooperative and each company-owned club has the same voting rights as the franchised locations within the Cooperative. If our company-owned clubs comprise the majority of a given Cooperative the maximum and minimum fees for that Cooperative will be consistent with the range stated in this Item 6 (subject to adjustment for increases in the CPI).

(3) The current member service fees are for the exercise and nutrition tools available to your members through their personal webpage at [mysnapfitness.com](http://mysnapfitness.com). These services are free to members. As technology and member demands change, we anticipate providing different or additional services

available to members. Some of these services may include different or additional member service fees and you agree to participate in our future member service initiatives and pay the applicable fees.

(4) All door access/membership cards and/or member ID cards are in a numeral sequence and must be purchased through us.

(5) We administer certain reimbursements of membership dues for insurance companies, affinity groups and national accounts. The current reimbursement processing fee is payable for any month that the reimbursements of membership dues for a Club from these accounts is \$35 or more. The member engager is a tool to assist you with engaging your members and includes automated e-mails, templates and more.

**ITEM 7**  
**ESTIMATED INITIAL INVESTMENT**  
**YOUR ESTIMATED INITIAL INVESTMENT**

Type of Expenditure	Amount <sup>(1)</sup>	Method of Payment	When Due	To Whom Payment Is to Be Made
Initial Franchise Fee <sup>(2)</sup>	\$19,500	Lump <del>Sum</del> <u>sum</u>	Upon <del>Signing</del> <u>signing</u> of Franchise Agreement.	Us
GO FAST™ Kit <sup>(3)</sup>	\$4, <del>760</del> <u>660</u> to \$8,410	Lump <del>Sum</del> <u>sum</u>	Upon receipt of invoice	Us or our affiliate
Fitness and Weight Equipment <sup>(4)</sup>	<del>\$27,400</del> <u>26,800</u> to \$39,335	As <del>Arranged</del> <u>arranged</u>	As <del>Arranged</del> <u>arranged</u>	Approved suppliers
Freight and Installation <sup>(4)</sup>	\$10,000 to \$17,000	As <del>Arranged</del> <u>arranged</u>	As <del>Arranged</del> <u>arranged</u>	Approved suppliers
Exterior Signage <sup>(4)</sup>	\$1, <del>900</del> <u>860</u> to \$2,710	As <del>Arranged</del> <u>arranged</u>	As <del>Arranged</del> <u>arranged</u>	Approved supplier
Door Access, Security and Surveillance System <sup>(4)</sup>	\$4, <del>900</del> <u>775</u> to \$6,780	Lump <del>Sum</del> <u>sum</u>	Before installation	Snap Security
Mirrors <sup>(4)</sup>	<del>\$590</del> <u>585</u> to \$1,085	As <del>Arranged</del> <u>arranged</u>	As <del>Arranged</del> <u>arranged</u>	Approved supplier
FitnessOnDemand™ (optional) <sup>(5)</sup>	\$0 to \$6,375	As <del>Arranged</del> <u>arranged</u>	Before installation	Our affiliate
MyZone (optional) <sup>(5)</sup>	\$0 to \$1,775	As <del>Arranged</del> <u>arranged</u>	Before installation	Our affiliate



Type of Expenditure	Amount <sup>(1)</sup>	Method of Payment	When Due	To Whom Payment Is to Be Made
Leasehold Improvements (not including flooring) <sup>(6)</sup>	\$7,500 to \$100,000	As <del>Arranged</del> arranged	As <del>Arranged</del> arranged	Contractors
Flooring (and Installation) <sup>(6)</sup>	\$4,340 <del>245</del> to \$5,970	As <del>Arranged</del> arranged	Before installation	Approved supplier
Rent <sup>(7)</sup>	\$3,600 to \$16,500	As <del>Arranged</del> arranged	As <del>Arranged</del> arranged	Landlord
Lease and Utility Security Deposits <sup>(8)</sup>	\$1,500 to \$5,800	As <del>Arranged</del> arranged	Before <del>Opening</del> opening	Landlord and utility companies
Insurance <sup>(9)</sup>	\$750-\$900	As <del>Arranged</del> arranged	As <del>Arranged</del> arranged	Insurer
Training Expenses <sup>(10)</sup>	\$500 - \$2,000	As <del>Arranged</del> arranged	As <del>Arranged</del> arranged	Hotels, restaurants, transportation providers.
Professional Fees <sup>(11)</sup>	\$1,000 to \$4,000	As <del>Arranged</del> arranged	As <del>Arranged</del> arranged	Your attorneys and other professionals
Additional Funds <sup>(12)</sup> (3-month period)	\$20,000	As <del>Arranged</del> arranged	As <del>Incurred</del> incurred	Employees, suppliers
TOTAL <sup>(13)</sup>	\$ <del>108,240</del> 107,275 to \$258,140			

The expenses in Item 7 are estimates of your initial investment for one location prior to commencing operations and for the first three months thereafter. We cannot guarantee that you will not have additional expenses starting the business. Your costs will depend on how closely you follow the Snap Fitness system standards, your management skill, experience and business acumen, local economic conditions, acceptance by local consumers of our approved services, prevailing wage rates, competition and other factors. If you purchase a three-pack under our Market Accelerator Program, you will incur these expenses for each of the three clubs. In preparing your budget you also should consider the potential effect of inflation on future costs.

#### Notes

- (1) All payments are nonrefundable unless otherwise permitted by a third party supplier.
- (2) See Item 5 for a description of the Initial Franchise Fee and available discount according to our Market Accelerator Program, ~~Platinum program~~2014 Franchisee Expansion and the VetFran program.

(3) See Item 5 for more information about the contents of GO FAST™ kit. As noted in Item 5, if you choose to add items to the standard GO FAST kit or you choose to purchase a tanning bed, you may spend more.

(4) The ranges in the chart for fitness and weight equipment, freight and installation, exterior signage, security and surveillance system and mirrors assumes you will purchase the recommended equipment for a standard sized club (3,000 to 4,500 square feet) and are based on the lease costs before opening and the first three months (including a 20% down payment and the equivalent of four monthly payments). If you have a larger club or choose to purchase additional equipment, your costs may be higher. See Item 8 for more information about supplier sourcing. See also Item 10 for available financing and Item 11 for additional information on the door access and technology system.

If you do not lease your equipment, the initial investment for the following items will increase to:

GO FAST™ Kit: ~~\$17,560~~18,425 to \$31,000  
Fitness and Weight Equipment: \$101,000 to \$145,000  
Exterior Signage: \$7,000 to \$10,000  
Door Access, Security and Surveillance System: \$18,000 to \$25,000  
Mirrors: \$2,200 to \$4,000  
Flooring: \$16,000 to \$22,000

(5) FitnessOnDemand is an optional automated group fitness class system. The range in the chart includes the cost of the FitnessOnDemand system, equipment package and an allowance for additional cost of flooring and mirrors. If you choose to install FitnessOnDemand, you will pay our affiliate ~~\$999~~10,495 and will pay an additional monthly license fee. If you plan to offer the FitnessOnDemand system, you should allow 300-900 square feet in a separate room. MyZone is an optional heart rate monitoring system and if you choose to install the MyZone system, you will pay our affiliate \$1,495 to \$6,430 and will pay an additional monthly license fee.

(6) The costs of construction and leasehold improvements depend upon the size and condition of the Club premises, the nature and extent of leasehold improvements required, the local cost of contract work and the location of your Club. In some cases, your landlord may agree to pay for some or all of the leasehold improvements as part of your lease negotiations. The flooring (including installation) must be installed by our approved vendor.

(7) The figures in the chart represent estimated three months' rent, exclusive of monthly operating expenses. The rental expense may vary widely based on geographic location, size of the Club, local rental rates and other factors. A typical Club occupies from 3,000 to 4,500 square feet of commercial space. If you plan to offer the FitnessOnDemand system, you should allow 300-900 square feet in a separate room.

(8) Landlords may require a security deposit, and utility companies may require that you place a deposit prior to installing telephone, gas, and electricity and related utility services. A typical utility security deposit is one month's expense. A typical lease deposit will be an amount equal to one month's rent. These deposits may be refundable according to the agreements made with the utility companies and landlord.

(9) See Item 8 for more information about our insurance requirements and our SAPP insurance program. This estimate includes premium for three months of our SAPP insurance plan. If you need additional insurance for your club (for example, state workers' compensation or a surety bond), you may have additional costs. A surety bond may range from \$100 to \$500, depending on the state. Workers' compensation coverage may range from \$450 to \$1,000, but may be more depending on the number of employees and your state requirements.

(10) There is no separate training fee payable to us, as initial training is included in the Initial Franchise Fee. You must make arrangements and pay the expenses for you and your General Manager to

attend our training program, including transportation, lodging, meals and wages. See Item 11 for more information on training. The amount you spend will depend, in part, on the distance you must travel and the type of accommodations you choose. The estimate provided contemplates initial training of two people for four days, including travel, lodging, food and miscellaneous expenses associated with two people traveling to our headquarters for training.

(11) We recommend that you hire your own attorney to help you evaluate this franchise offering, to identify the laws and regulations that may apply to your Club, to help you set up a business entity, to review and negotiate your lease(s), to assist you in adapting the Membership Agreement to laws and regulations in your state or locality, and for whatever other purpose you deem appropriate.

(12) The figures in the chart represent the estimated amount of working capital you will need to cover other initial operating expenses for a period of three months. These figures are estimates, and we cannot guarantee you will not have additional expenses starting the business. Expenses not included are hourly labor costs and rent (beyond the rent estimate noted above in Note 7). Some states may have staffing requirements that could increase this number significantly.

(13) To compile these estimates, we relied on our affiliates' experience in operating similar businesses and our experience in franchising the operation of SNAP FITNESS® Clubs. You should review these figures carefully with a business advisor before making any decision to purchase the franchise. Your costs will depend on factors such as: how closely you follow our recommended System; your management skill, experience and business acumen; local economic conditions; the time of year; the local market for our services; competition; and the sales level reached during the initial period.

You should also allow for inflation, discretionary expenditures, fluctuating interest rates and other costs of financing, and local market conditions, which can be highly variable and can result in substantial, rapid and unpredictable increases in costs.

## **ITEM 8**

### **RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES**

To help ensure a uniform image and uniform quality of products and services throughout the SNAP FITNESS System, you must maintain and comply with our quality standards. Any required standards exist to protect our interest in the System and the Marks and not for the purpose of establishing any control, or the duty to take control, over those matters that clearly are reserved to you.

#### Site Selection

You must operate the Club at a location that meets our site selection requirements and that we have approved. If you lease the location, you and the landlord must execute the standard form of lease addendum (attached to the Franchise Agreement as Attachment E).

You must construct and equip your Club according to our approved design, specifications and standards. In addition to meeting our design specifications and standards, it is your responsibility to insure that your building plans comply with the Americans with Disabilities Act and all other federal, state and local laws. You also must use equipment (including hardware and software for the Technology System, as further described in Item 11), signage, fixtures, furnishings, products, supplies and marketing materials that meet our specifications and standards.

#### Approved and Designated Suppliers

We will provide you with a list of approved manufacturers, suppliers and distributors ("Approved Suppliers List") and approved equipment, signs, stationery, supplies and other items or services necessary to operate the Facility ("Approved Supplies List"). From time to time we, an affiliate or a third party vendor or supplier, may be the only approved supplier for certain products. The Supplies List also may include other specific products without reference to a particular manufacturer, or they may designate the

specifications and/or standards for other approved products. We may revise the Approved Suppliers List and Approved Supplies List. We give you the approved lists as we deem advisable.

You must purchase from us our GO FAST™ kit containing marketing and promotional materials, personal training supplies and free weights, an initial inventory of access cards, and certain fixtures including cabinets and cubbies (see Item 5). You may use in the operation of the Club only the proprietary or non-proprietary equipment that we specify, and must purchase and lease all equipment that we designate (including the security system, computer system and FitnessOnDemand™ system) from our approved suppliers. Snap Security currently is the only approved supplier for the door access and security system, Wholesale Fitness Supply is the only approved supplier for the FitnessOnDemand and MyZone systems. GoFit is the sole supplier for club management software and we are the only approved supplier for the GO FAST kit, and in-club digital media and easyFIT™ devices. ~~In the future, we or an affiliate may also be the sole supplier for club management software.~~ Except for these items and the insurance, described below, neither we nor our affiliates currently are approved suppliers for any products or services. None of our officers hold an interest in any of our suppliers.

Except for instances where we designate a single source supplier, if you wish to purchase any products or services for which we have established approved suppliers from an unapproved supplier, you may request our consent in writing. If we request, you must submit samples and other information as we require for testing or to otherwise determine whether the product, material or supply, or the proposed supplier meets our specifications and quality and safety standards. We generally will notify you of supplier approval or disapproval within 30 days of our receipt of all the information and samples we request. You must pay the reasonable cost of the inspection and evaluation and the actual cost of the test. The supplier also may be required to sign a supplier agreement. We may re-inspect the facilities and products of any supplier of an approved supplier or item and revoke our approval of any supplier or item that fails to continue to meet any of our criteria. We will send written notice of any revocation of an approved supplier or item.

We apply the following general criteria in approving a proposed supplier: (1) ability to make product in conformity with our specifications; (2) reputation and integrity of supplier; (3) financial condition and insurance coverage of the supplier; and (4) system uniformity.

#### Insurance

You must participate in the SAPP insurance program unless we approve otherwise and you provide proof of insurance meeting our minimum limits outlined in the Franchise Agreement. The SAPP insurance program includes property, crime, general liability and hired and owned auto written by Mt. Hawley Insurance Company, headquartered in Peoria, Illinois. The commercial umbrella liability is written by Great American E&S Company, headquartered in Cincinnati, Ohio. This policy provides the following coverages:

Type of Insurance	Amount
Commercial General Liability <u>including Product Liability and Personal and Advertising Injury</u>	1,000,000 per occurrence; \$2,000,000 in the aggregate
<del>Products/Completed Operations Aggregate</del>	<del>\$2,000,000</del>
<del>Personal and Advertising Injury Liability</del>	<del>\$1,000,000</del>
Fire Legal Liability: Damages to Club premises	\$500,000
Medical Expenses	\$1,000 <u>per accident</u>

Type of Insurance	Amount
Professional liability including abuse and molestation (for owners and employees)	<del>Included</del> \$1,000,000 per occurrence
Hired and <del>Non-owned</del> Non-Owned Auto Liability	\$1,000,000 per claim
Property – Special Form, including mechanical breakdown	\$300,000
Improvements and Betterments	Included
Business Income (12 months)	Actual loss sustained
Crime (employee dishonesty, theft and robbery)	\$10,000 per occurrence
Cyber Liability (internet security and privacy insurance)	\$25,000 per occurrence <del>and in the aggregate</del>
Deductible	\$1,000
Defense Costs	In addition to policy limits
<del>Commercial</del> Commercial Umbrella Liability	<del>\$5</del> 10,000,000 per occurrence and \$10,000,000 in the aggregate

In addition to participation in the insurance program, you must carry workers' compensation and employer liability coverage as required by the jurisdiction in which you operate the Club.

All required insurance not included in the SAPP insurance program must be obtained from a responsible carrier or carriers acceptable to us (generally an AM Best rating of A- or better). All of the policies must name us and anyone else we designate with an insurable interest as additional insured and must include a waiver of subrogation in favor of each additional named insured.

#### Marketing and Promotional Materials

You may use only marketing and promotional materials that meet our standards (see Item 11 for more information on advertising and marketing).

#### Revenue Derived from Franchisee Purchases and Leases

We and our affiliates derive revenue from franchisee purchases and leases to the extent that you purchase products or services directly from us or our affiliates. We and our affiliates also have arrangements with certain suppliers whereby we or our affiliate receive rebates from franchisee purchases or leases, which may be a fixed amount per transaction or percentage and could range from 2% to 60%.

During our fiscal year ended December 31, ~~2013~~2014, we derived approximately \$3,998,144,000 in revenue from the sale of goods or services to our franchisees, which amount represented approximately ~~49.13~~49.13% of our total revenues of \$20,559,233,361,000 for that period. During the same period, Snap Security derived approximately \$3,648,427,000 in revenue from the sale of goods or services to our franchisees; Snap Finance derived approximately \$1,214,000 in revenue on account of franchisee purchases and leases; SAP Insurance derived approximately \$1,867,118,000 in revenue related to the insurance program; Wholesale Fitness Supply derived approximately \$3,622,000 in revenue from the sale of goods or services to our franchisees; ~~Fitness on Demand, LLC (now Wholesale Fitness Supply)~~ and GoFit derived approximately \$565,000,000 in revenue from the sale of goods or services to our

franchisees. These figures were taken from our December 31, ~~2013~~<sup>2014</sup> audited consolidated financial statements.

#### Estimated Proportion of Required Purchases and Leases to all Purchases and Leases

We estimate that your required purchases will represent approximately 95% of your total purchases in connection with establishing the franchised business (excluding the franchise fee and other non-goods expenditures), and over 90% of the ongoing costs that you will need to operate the business (excluding franchise fees and royalties and other non-goods expenditures).

#### Description of Purchasing Cooperatives; Purchasing Arrangements

We negotiate purchase arrangements for the benefit of the System but not on behalf of individual franchisees. This does not guarantee that the price for these products or services will be lower than other products or services on the market. We are not aware of any purchasing or distribution cooperatives in the System as of the date of this Disclosure Document. We do not provide you any material benefits (such as renewal rights or the right to acquire additional franchises) based on your purchases from approved or designated suppliers.

### **ITEM 9 FRANCHISEE'S OBLIGATIONS**

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

Obligation	Section in Franchise Agreement	Disclosure Document Item
a. Site selection and acquisition/lease	Sections 2B, 2C and 5A	Items 7 and 11
b. Pre-opening purchases/leases	Sections 5A, 5B, 5C, 6A and 6C	Items 5, 6, 7 and 8
c. Site development and other pre-opening requirements	Sections 2B, 2C, 5A, 5B and 5C	Items 7, 8 and 11
d. Initial and ongoing training	Sections 7B and 7C	Items 5, 6 and 11
e. Opening	Section 5D	Items 5 and 11
f. Fees	Sections 6K, 7C, 8, 9, 11C.9 and 11H	Items 5, 6 and 7
g. Compliance with standards and policies/Operations Manual	Section 6	Items 6, 7, 8, 11, 14 and 16
h. Trademarks and proprietary information	Sections 3, 6H, 10E and 10F	Items 13 and 14
i. Restrictions on products/services offered	Section 6	Items 6, 7, 8, 11, and 16
j. Warranty and customer services requirements	None for warranty. Customer services, see Sections 6 and 9D	Items 6 and 11
k. Territorial development and sales quotas	Sections 2B and 2C and Attachment B	Item 12

	<b>Obligation</b>	<b>Section in Franchise Agreement</b>	<b>Disclosure Document Item</b>
l.	Ongoing product/service purchases	Section 6	Items 6, 7 and 8
m.	Maintenance, appearance, modernization and remodeling requirements	Section 5	Items 8 and 11
n.	Insurance	Section 10C	Items 6, 7 and 8
o.	Advertising	Section 8	Items 6, 7 and 11
p.	Indemnification	Section 10B	None
q.	Owner's participation/management/staffing	Sections 7 and 15F	Item 15
r.	Records/reports	Sections 6D, 9I and 9J	None
s.	Inspections/audits	Sections 5C, 6E and 9J	Items 6 and 11
t.	Transfer	Section 11	Items 6 and 17
u.	Renewal	Section 4	Item 17
v.	Post-termination obligations	Sections 10D and 14	Item 17
w.	Non-competition covenants	Section 10D	Item 17
x.	Dispute resolution	Section 12	Item 17

## **ITEM 10 FINANCING**

We offer, directly or through a preferred financing vendor, the financing programs described below.

### **Lease Servicing Center (LSC)/Preferred Vendor Programs**

If you qualify for a LSC preferred vendor program, you will sign an equipment lease agreement or equipment finance agreement directly with Lease Servicing Center. The details of the agreement are included in the chart below. The Lease Servicing Center/Preferred Vendor Programs offer lease financing for the equipment you will need to open a new Club. The standard equipment package includes exercise equipment, the security and media package, GO FAST kit, flooring, external signage, mirrors, tanning unit (optional), FitnessOnDemand (optional) and mirrors-MyZone (optional). This program is only available if you purchase fitness equipment packages from the preferred vendors participating in the programs (Matrix and Octane).

*Standard.* This program is meant for new franchisees opening their first Club or existing franchisees opening an additional Club. Qualification depends on your personal credit profile and other factors.

*Platinum.* This program is meant for those existing franchisees who meet certain operational and financial criteria ~~and commit to opening four additional Clubs over a two year period.~~ Factors considered in qualifying applications/applicants for this program include the number of memberships at existing Clubs, whether existing Club operations generate adequate cash flow to support the new club operations during the ramp-up period, personal credit profile and other factors. See Item 5 and 17 for additional information.



## Snap Fitness In-House Programs

*Existing Franchisees.* If you are an existing SNAP FITNESS franchisee whose Clubs have a demonstrated record of success and you meet other credit qualifications, you may qualify for our in-house program to finance equipment to open your next SNAP FITNESS location. Factors considered in qualifying applicants for this program include the number of memberships at existing Clubs, whether existing Club operations generate adequate cash flow to support the new Club operations during the ramp-up period, personal credit profile and other factors.

*Executive.* In very limited circumstances we may provide a new franchisee with equipment financing through our in-house program. Generally, a candidate for the executive program will have fitness or franchise experience and have \$50,000 to \$75,000 in verifiable, up front cash to put toward the initial investment. The maximum amount financed will typically be two times the up front cash invested by the franchisee (up to \$150,000). Qualification will also depend on the personal credit profile and other factors.

The Snap Fitness In-House Programs are offered through our Snap Finance affiliate and the details are outlined below.

## Re-Snap Program

If you are an existing Snap Fitness franchisee renewing your agreement for a second term, you qualify for the Re-Snap Program for financing the upgrades and modernization of your Club in connection with the renewal. The financing is provided by Lease Servicing Center and coordinated by Snap Finance and backed by Snap Fitness. The details of the program are outlined below.

## LED Green Lighting Program

~~Existing clubs may qualify for financing of LED lighting costs under the Snap Fitness Green Lighting Program. The Green Lighting Program financing is offered through our Snap Finance affiliate. The details are outlined below.~~

## Financing Program Details

Item Financed	Source of Financing	Down Payment	Amount Financed	Term	APR %	Monthly Payment	Pre-payment Penalty	Security Required
Standard Equipment Package Note 1	Lease Servicing Center	Note 2	\$80,000 to <del>\$200,225</del> ,000	60-mos.	<del>13.99</del> .9%	\$1,782,670 to \$4,455,695	Discounted present value of payments (discount rate of 4% per year)	Security Interest in Assets; Personal Guarantee; Assignment of Club Note 3
Standard Equipment Package Note 1	Lease Servicing Center	Note 2	\$80,000 to <del>\$175,225</del> ,000	60-mos.	<del>8.9</del> .90%	\$1,668,635 to \$3,650,595	Discounted present value of payments (discount rate of 4% per	Security Interest in Assets; Personal Guarantee; Assignment of

Item Financed	Source of Financing	Down Payment	Amount Financed	Term	APR %	Monthly Payment	Pre-payment Penalty	Security Required
							year)	Club Note 3
Standard Equipment Package Note 1	Snap Fitness Finance, LLC	Note 2	\$80,000 to \$200,000	60-mos.	13.0%	\$1,782 to \$4,455	None	Security Interest in Assets; Personal Guarantee; Assignments of existing and new Clubs Note 3
Standard Equipment Package Note 1	Snap Fitness Finance, LLC	Note 2	\$80,000 to \$150,000	60-mos.	13.0%	<del>\$1,742</del> 782 to \$3,341	None	Security Interest in Assets; Personal Guarantee; Assignment of Club Note 3
Club Upgrade Package Note 1	Lease Servicing Center	Note 2	\$15,000 to \$75,000	36-mos.	<del>13.0</del> 8.9%	<del>\$500</del> 475 to <del>\$2,500</del> 365	Discounted present value of payments (discount rate of 4% per year)	Security Interest in Assets; Personal Guarantee Note 3
<del>PRUF LED Lighting</del>	<del>Snap Fitness Finance, LLC</del>	<del>Note 9</del>	<del>\$3,000 to \$20,000</del>	<del>60 mos</del>	<del>12.9%</del>	<del>\$68 to \$455</del>	<del>0-3% of amount prepaid Note 9</del>	<del>Security Interest in Assets; Personal/Corporate Guarantee Note 9</del>

Notes:

- The standard equipment package includes exercise equipment, the security and media package, GO FAST kit, flooring, external signage, ~~signage~~mirrors, tanning unit (optional), FitnessOnDemand (optional) and MyZone (optional). The Club upgrade package includes the equipment and fixtures to meet the renewal modernization requirements.
- Under the LSC Preferred Vendor Programs, Snap Fitness In-House Programs and Re-Snap Program, you generally will make two payments in advance and pay a documentation fee of \$500. Depending on credit criteria, you may also be required to make a 10-20% down payment or a security deposit.

- (3) The LSC Preferred Vendor Programs, Snap Fitness In-House Programs and Re-Snap Program each require that the franchise owner(s) sign a personal guaranty and give the lender a security interest in the assets acquired. In addition, you will execute conditional assignments of the Franchise Agreement, lease, membership agreements, telephone and utilities for the Club. For the Snap Fitness In-House Program (existing franchisees), the assignment will be of all your existing Clubs.
- (4) If you default under the terms of the agreement with LSC, you will pay a late charge of 15% of the payment (or the maximum allowed by law, if less). LSC may also terminate or cancel the agreement and require that you pay the unpaid balance, discounted to present value at 4%, or require that you return the equipment to LSC. LSC may sell the equipment and you may be required to pay any deficiency remaining after that sale and for the costs related to the sale, attorneys' fees and court costs or other obligations to LSC. LSC may also exercise their assignment of the Franchise Agreement, lease, membership agreements and telephone and utilities. Finally, we have a written agreement with LSC to buy back equipment if you default on your equipment lease with them. Because we provide this guarantee of your obligations, your default under the financing agreement with LSC is a default under the Franchise Agreement and may lead to termination of your franchise rights. You waive all rights to sue LSC for consequential or incidental damages.
- (5) If you default under the In-House Program agreement, Snap Finance may accelerate and declare due the unpaid balance (discounted to present value at 5.5% per year), collect related attorneys' fees, collection costs and expenses, enter the Club or owner's premises to take possession of the equipment, exercise the assignment of the franchise rights or use any other remedy available at law. Any late payment is subject to interest at 1 ½% per month (or the maximum permitted by law). Your default under the agreement with Snap Finance is also a default under your Franchise Agreement and may lead to termination of your franchise rights. You waive all rights to sue Snap Fitness Finance, LLC for indirect, punitive, special or consequential damages.
- (6) If you default under the Re-Snap Program, you will pay a late charge of 15% of the payment (or the maximum allowed by law, if less). LSC may also terminate or cancel the agreement and require that you pay the unpaid balance, discounted to present value at 4%, or require that you return the equipment to LSC. LSC may sell the equipment and you may be required to pay any deficiency remaining after that sale and for the costs related to the sale, attorneys' fees and court costs or other obligations to LSC. In addition, because we guarantee your performance under the financing agreement, your default under the agreement with LSC is a default under your Franchise Agreement and may lead to termination of your franchise rights. You waive all rights to sue LSC for consequential or incidental damages.
- (7) Sample forms of the agreements with LSC for the Lease Servicing Center (LSC)/Preferred Vendor Programs and the Re-Snap Program are attached to this Disclosure Document as Exhibit H. LSC has the right to sell, assign or discount your financing agreement to a third party and, if LSC transfers the financing agreement, the transferee will not have to perform any of LSC's obligations and the rights of the transferee will not be subject to any claims, defenses, or setoffs that you have against Lease Servicing Center.
- (8) A sample form agreement for both Snap Fitness In-House Programs is attached to this Disclosure Document as Exhibit H. We have no past practice of selling, assigning or discounting franchisees' financing arrangements under the Snap Fitness In-House programs to a third party; however, we reserve the right to do so in the future.

~~(9) A sample form promissory note for the LED Green Lighting Program is attached to this Disclosure Document as Exhibit H. Snap Finance reserves the right to file a UCC financing~~

~~statement. The prepayment penalty is: (i) 3% of the amount prepaid during months one to 12; (ii) 2% of the amount prepaid during months 13 to 24; (iii) 1% of the amount prepaid during months 25 to 36; or (iv) 0% of the amount prepaid during months 37 to 60. If you default under the promissory note, Snap Finance may accelerate and declare due the unpaid balance (including prepayment penalty), collect related attorneys' fees, collection costs and expenses and pursue any other remedy available at law. Any late payment is subject to interest at 18% per year (1 1/2 % per month or the maximum permitted by law). Your default under the promissory note is also a default under your Franchise Agreement or other related agreements and may lead to termination of your franchise rights. You waive your right to a jury trial. Snap Finance has the right to sell, assign or discount your financing agreement to a third party and, if Snap Finance transfers the financing agreement, the transferee will not have to perform any of Snap Finance's obligations and the rights of the transferee will not be subject to any claims, defenses, or setoffs that you have against Snap Finance.~~

We do not receive payments or other consideration from any person for the placement of financing with the lenders of the programs described above.

The Snap Fitness franchise program is also pre-approved for SBA loan programs through our listing with the SBA Franchise Registry. You apply for an SBA loan through a private sector lender and the lender will determine the amount, terms, interest rate and duration of any financing they choose to offer.

In addition to the programs mentioned, we may periodically arrange with third party finance companies or banks to make financing programs available to franchisees. These arrangements ordinarily involve no more than arranging to put franchisees in contact with sources of financing available to individual franchisees. There is no assurance that financing will be offered in any particular instance. If financing is offered, the financial institution independently establishes the amount, terms, interest rate and duration. Neither we nor any of our affiliates receive any payments in exchange for such referrals or the placement of any financing. It is solely your responsibility to locate and obtain, on whatever terms you can arrange, any required financing for the establishment of your Club.

Except as described above, as of the date of this Disclosure Document we do not offer direct or indirect financing and we do not guarantee your note, lease or obligation.

## **ITEM 11**

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

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

#### Pre-Opening Obligations

Before you open your Club, we will:

1. Provide you with site selection criteria and general design requirements for your Club (Franchise Agreement, Sections 5A and 5C).
2. Provide you with the Approved Suppliers and Approved Supplies Lists (Franchise Agreement, Section 6C).
3. Provide you with access to an electronic version of the Manual through a select portal controlled by the franchisor, that detail the specifications and procedures incidental to the operation of the Club (Franchise Agreement, Section 6G).
4. Provide the training programs described below (Franchise Agreement, Sections 7B and 7C).
5. Provide grand opening promotional materials and assistance (Franchise Agreement, Section 8B).

#### Ongoing Obligations

During the operation of your Club, we will:

1. Provide you with Membership services, including administering certain aspects of reciprocity and membership billing (Franchise Agreement, Section 6B and 6O).
2. Provide updates to the Approved Suppliers and Approved Supplies Lists (Franchise Agreement, Section 6C).
3. Evaluate your business and provide ongoing support and service as we determine necessary (Franchise Agreement, Section 6E).
4. Provide refresher training courses as we determine necessary (Franchise Agreement, Section 7C).

### Advertising and Marketing

You must use your best efforts to aggressively promote and advertise the Club in your local area and participate in any local promotional programs that we establish. We recommend that you spend money every month on local advertising and require that you spend a minimum of \$4,800 per year (an average of \$400 per month) on advertising, which may be more during peak months and less during non-peak months. The advertising program for the products and services offered by SNAP FITNESS® Clubs currently consists of print, direct mail, digital advertising and special promotions designed for use by franchisees in their local markets. Our advertising materials currently are created in-house. We are not required to spend any amount on advertising in the area or territory where your franchise is located.

Any marketing material not designed or provided by us must be pre-approved; you must submit your marketing materials to us for approval prior to using (print, electronic or other forms of media) and actively promote your Club and the system through use of approved local marketing and marketing materials. We will not unreasonably withhold approval of your marketing materials if they are factually accurate and current, dignified, up-to-date, and in good condition, and accurately depict the SNAP FITNESS Marks. The marketing materials will be deemed approved if we do not disapprove or comment within 10 business days of receipt.

### National Marketing Fee

You must pay us a National Marketing Fee of \$130 per month. This is a fee that you pay to us, and not a contribution to an advertising fund or any kind of group or pooled advertising program. Payments are accounted for as general operating revenue, and we do not provide a separate accounting for how this revenue is spent. In consideration for this fee, we provide general marketing and promotional services for the SNAP FITNESS brand. These services may include any or all of the following: creative development services (such as designing new logos, graphics, and promotional pieces), public relations services, web design services, social media, developing and implementing promotions, tie-ins, contests, and/or sweepstakes, direct mail advertising, sponsorships and endorsements, trade association memberships (such as IHRSA). Services may be provided by in-house personnel and/or third party service providers and vendors.

### Local Marketing Fund or Cooperative

We have the right to designate, in our discretion, any geographical area in which at least two SNAP FITNESS® franchises are located as a “designated advertising area” for the purposes of establishing a Local Marketing Fund that we control (“Local Marketing Fund”) or local or regional advertising cooperative controlled by its members (“Cooperative”). If a Local Marketing Fund or Cooperative is established in your market, you will be required to participate and contribute. Any amount contributed to a Local Marketing Fund or Cooperative will be in addition to, and not in lieu of, the National Marketing Fee. We have the right to determine the amount of contribution, in our sole judgment, provided that aggregate monthly contributions will not exceed \$200 per month (subject to adjustment for increases in the Consumer Price Index<sup>3</sup>), unless a 2/3 vote of the members of the Cooperative approves a higher fee. Any contributions you make to a Local Marketing Fund or Cooperative will count toward the minimum local advertising expenditure noted above.

As of the date of this Disclosure Document, we have established Cooperatives for the following markets (each defined according the Nielsen Market Research designated marketing area (DMAs): Minneapolis-St. Paul; Fargo-Grand Forks; Des Moines-Ames; Erie; Milwaukee; Grand -Rapids-Kalamazoo-Battle Creek; New Orleans; Baton Rouge; Lafayette, LA; La Cross-Eau Claire; Wasau Rhinelander; Madison WI; Lansing MI; **Birmingham** and Spokane. We plan to establish Cooperatives in additional markets. If we have established a Cooperative in your area, you must participate in the Cooperative and its programs, execute any participating documents we require and abide by its bylaws. A Cooperative may vote to increase the required contribution amount referenced above if approved by members representing at least two-thirds of the Clubs in the Cooperative. Each Club in the Cooperative will have one vote. Clubs owned by us and our affiliates will be a member of the Cooperative and will make the same contribution and have the same voting rights as franchised locations. Each Cooperative will be required to adopt governing bylaws that meet our approval and that we may require the Cooperative to amend from time to time. We will provide the Cooperative with a sample form of bylaws that the Cooperative must use and we must approve, containing certain terms and conditions that we require, although the bylaws will not modify the voting structure described in this paragraph. The Cooperatives must submit to us its meeting minutes on our request. All advertising cooperatives must obtain our written approval of all promotional and advertising materials, creative execution and media schedules prior to their implementation. Each Cooperative must use only the approved media buyer and advertising agency. The members of each Cooperative and their elected officers will be responsible for the administration of the Cooperative. If you wish to obtain an accounting of your local Cooperative you may do so by submitting your request in writing to the officers of the Cooperative. We reserve the right to administer the Cooperatives' funds and will require payment from its members via electronic funds transfer. The governing documents are available for review upon reasonable request. We reserve the right to require advertising and marketing cooperatives to be formed, changed, dissolved or merged.

#### *CEO Advisory Council*

The CEO Advisory Council is comprised of members appointed by us. The council serves in an advisory capacity and provides input on advertising and operational issues. We have the power to change or dissolve this body and we reserve the right to form, change or dissolve any other franchisee advisory committee in the future.

#### Technology System and Video Surveillance Equipment

You must acquire and use all computer hardware and related accessories and peripheral equipment, including security, door access, phone and digital media equipment (collectively, the "Technology System") that we prescribe for use by the Club, and may not use any cash registers or computer hardware, accessories or peripheral equipment that we have not approved for use. Requirements for use may include, among other things, connection to remote servers, off-site electronic repositories, and high speed Internet connections, and establishment of one or more e-mail accounts.

You must: (i) use any proprietary software programs, system documentation manuals, and other proprietary materials that we provide to you in connection with your operation of the Club; (ii) input and maintain in your computer such data and information as we prescribe in the Manual and other written directives; (iii) purchase new or upgraded software programs, system documentation manuals, and other proprietary materials at then-current prices whenever we adopt such new or upgraded programs, manuals, and materials system-wide. You must enter into all software license agreements, "terms of use" agreements, and software maintenance agreements, in the form and manner we prescribe, and pay all fees imposed by us or any third party software and software service providers hereunder. As technology or software is developed in the future, we may, in our sole discretion, require you to: (i) add to your Technology System memory, ports, and other accessories or peripheral equipment or additional, new, or substitute software; and (ii) replace or upgrade your Technology System and software as we prescribe.



The Technology System will collect and compile customer identification data, other membership data, and door entry data. We may independently access from a remote location, at any time, all information (including member information) input to and compiled by your Technology System (including video surveillance equipment) or an off-site server.

We estimate the purchase price for the Technology System, including video surveillance equipment, to be approximately \$18,000 to \$25,000. The estimated annual cost of any optional or required maintenance, updating, upgrading or support for the Technology System is estimated to be approximately \$500 to \$1,500 per year over the ten-year term of the initial Franchise Agreement.

### Site Selection

You will select the site for the Club within the Preliminary Designated Area that will be identified in the Summary Pages when you sign the Franchise Agreement. You will identify a site within the Preliminary Designated Area (or if no sites are available in the Preliminary Designated Area, in proximity to it) for our approval. In evaluating the site, we will consider the following factors: demographics, visibility, ability to reflect image to be portrayed by SNAP FITNESS® businesses, access and parking, and market type (rural, suburban, and urban). Within 15 days after you have submitted all requested information concerning the site, we will notify you whether or not the site is approved. You must acquire a site for the Club within 90 days after the Franchise Agreement is signed.

### Typical Length of Time Before You Open Your Club

The typical length of time between the signing of the Franchise Agreement, or the first payment of any consideration for the franchise, and the opening of your business is approximately three to eight months from the execution of the Franchise Agreement. Factors that may impact this length of time may include whether you have a site selected upon execution of the Franchise Agreement, your ability to obtain a site, prepare a site survey, arrange leasing and financing, make leasehold improvements, install equipment and signs, decorate the Club, meet local requirements and other similar factors.

You must acquire a site for the Club location no later than 90 days after the Franchise Agreement is signed, and must open the Club for business no later than 180 days after the Franchise Agreement is signed. If you purchased three Franchise Agreements as part of our Market Accelerator Program, the opening deadline for the second Club is one year after the Franchise Agreement is signed and for the third Club will be 18 months after the Franchise Agreement is signed. If you fail to acquire an acceptable site or begin operations within the required time periods, we may terminate the Franchise Agreement or, at our election, may cancel any designated area protection afforded in the Franchise Agreement (Franchise Agreement, Sections 2B, 2C and 13D).

### Manual

The Table of Contents for the Operating Manual, including number of pages on each subject and total number of pages, is included herein as Exhibit E. In addition to the Operating Manual, we also communicate operations information to franchisees through system bulletins and our online franchisee portal.

## **INITIAL TRAINING PROGRAM**

We will provide the following initial training to at least two people in your organization (including your general manager), which the attendees must complete to our satisfaction. Our training program is four days and includes:



Subject	Hours of Classroom Training	Hours of On-the-job Training	Location	Instructor
Marketing / <del>Staffing</del> / Social Media/ Lead <del>Generataion</del> / <del>Staffing</del> Generation / Management	8	-	Chanhassen, Minnesota	See Note (1)
<del>Membership</del> Sales / <del>easyFIT</del> / <del>mynsnapfitness</del>	8	-	Chanhassen, Minnesota	See Note (1)
Personal Training / <del>Fitness</del> On Demand / Truestar Health	8	-	Chanhassen, Minnesota	See Note (1)
<del>Fitness On Demand</del> / <del>MyZone</del> / Software and Billing / Buildout and Club Updates	6	-	Chanhassen, Minnesota	See Note (1)
TOTAL	30	-		See Note (1)

Note (1).

Initial training will be conducted by our training staff which is led by John Voskamp. John joined Snap Fitness, Inc. in June 2010 and has more than ~~2021~~ years of experience in the fitness industry.

Other training staff includes Jodi Sussner (personal training), ~~Jessica Mustful~~ Brant Schmitz (marketing and social media), a franchise account manager (operations, software and billing), ~~Garrett Marshall~~ Joey Aunan (Fitness On Demand), Brett Dudeck (project management and buildout), ~~Patrick Strait and Brandt Schmitz (demographics and social media)~~. Jodi joined us in 2012 with over 20 years of experience in the health club industry and is responsible for our personal training program. ~~Jessica Mustful joined us in 2007 as a marketing manager and focuses on member facing programs. Jessica has a B.A. in advertising and public relations and a MBA with a concentration in sports management.~~ The franchise account manager (FAM) supports Clubs as the primary contact in the corporate office and assists the Clubs with everything from software and billing issues to sales and marketing initiatives. ~~Garrett Marshall joined Snap Fitness in 2011 and has an extensive background in sales and fitness.~~ Brett Dudeck has worked with Snap Fitness since 2006 and is responsible for project management and buildout support. ~~Patrick Strait joined Snap Fitness in 2007 and is responsible for all media and franchisee communications.~~ Brant Schmitz joined Snap Fitness in 2010 and is responsible for all consumer facing marketing and online marketing tools for franchisees. Joey Aunan joined Fitness On Demand in 2012 and has a background in sales and fitness.

Unless we agree in writing that you may designate someone else to attend training, you must complete to our satisfaction this training program within 30 days of signing your location lease. If you have a general manager at the time you begin operations, he or she also must complete training to our satisfaction. The

program lasts approximately four days. We do not charge for this training, but you must pay the travel and living expenses and supply costs for you and your employees. Training will occur at our headquarters in Chanhassen, Minnesota, prior to opening.

The training is subject to change and may be offered by any of these personnel or by such individuals as we may designate from time to time who have experience related to specialized services or products that may be offered as part of the franchised business.

Periodically, we may offer additional training programs and we may charge a fee for attending these training programs. You must also pay the travel and living expenses and supply costs for you and your employees. If you designate a new general manager after the initial training program, the new general manager must complete the training to our satisfaction. We reserve the right to charge a fee to train any replacement general manager. In addition, we may hold and require that your Principal Owner (this is, a person who owns a 25% or greater interest in the franchisee entity) and general manager or other designated employees attend, at your expense, any conference, meeting, convention or seminar to present new methods and programs for operation, training, management, sales or marketing.

## **ITEM 12 TERRITORY**

When the Franchise Agreement is signed, you will select a general geographic area in which you intend to operate your Club ("Preliminary Designated Area"). We generally will approve your selection unless we determine, in our sole judgment, that it may negatively affect the interest of another SNAP FITNESS® franchisee or is otherwise unavailable for development under our current policies.

Your Preliminary Designated Area will be identified on the Summary Pages of the Franchise Agreement. Within 90 days after the Franchise Agreement is signed, you must acquire a site for the Club within the Preliminary Designated Area; provided that, if no sites are available in the Preliminary Designated Area, we generally will approve a site in proximity to the Preliminary Designated Area. Once you have acquired the site, we will complete the Franchise Agreement to reflect the site (which will become the Club's "Authorized Location") and to define your "Designated Area" around the Authorized Location. If the site you acquire is within the Preliminary Designated Area, your Designated Area will be substantially the same as your Preliminary Designated Area in terms of size, shape or demographics. Once defined in Attachment A, your Designated Area will remain constant throughout the initial term of the franchise.

A minimum Designated Area will consist of one city block and, in suburban and rural areas, may be as large as a three-mile driving distance from the anticipated location. The actual size and boundaries of your Designated Area will depend upon a variety of factors, including the population base; density of population; growth trends of population; the density of residential and business entities; and major topographical features which clearly define contiguous areas, like rivers, mountains, major freeways, and underdeveloped land areas.

Unless approved by us, all membership sales must be made face-to-face, although you may solicit membership sales within your Designated Area by mail, telemarketing (so long as you abide by the no-call lists) or other non-face-to-face basis. You may solicit, advertise and accept memberships online or outside your Designated Area only with our prior written approval or according to our then-current policies. There are no other restrictions on your right to solicit or accept memberships inside or outside of your Designated Area. You may not sell merchandise or services through other channels of distribution such as the Internet, catalog sales, telemarketing or other direct marketing.

You will not receive an exclusive territory. You may face competition from other franchisees, from outlets we own, or from other channels of distribution or competitive brands that we control. During the term of this Agreement, however, neither we nor our affiliates will develop or operate, or grant to anyone else the right to develop or operate, a SNAP FITNESS® Club physically located in the Designated Area (except Special Sites described below). We and our affiliates have the right to develop and operate and

grant others the right to develop and operate SNAP FITNESS® Clubs outside the Designated Area, regardless of their proximity to the Designated Area or any negative impact they may have on your Club.

We also have the right to develop and operate, and grant others the right to develop and operate, fitness clubs and other businesses under a different trademark within and outside the Designated Area, which may be similar to or competitive with SNAP FITNESS® Clubs. We will not operate, franchise or license the operation of a fitness club offering 24/7 keycard access in your Designated Area, except in connection with our acquisition of a multi-unit brand. If we acquire a multi-unit brand (through a stock purchase, asset purchase, merger or otherwise), we or our affiliate may operate, franchise or license the operation of the acquired brand within and outside the Designated Area without offering any rights to you. As described in Item 1, our affiliate, Kosama Franchising, franchises the operation of fitness clubs featuring a complete body transformation program that do business under the trade name and service mark "KOSAMA." Our affiliate intends to grow this system through franchising and by developing new company-owned outlets through an affiliate. Kosama Franchising, its affiliates operating company-owned outlets, and franchisees operating under the KOSAMA® trademark may solicit memberships and otherwise compete with you in your Designated Area.

Kosama Franchising shares our principal offices and may also share all or certain of our training facilities. There are no formal procedures in place for resolving conflicts between us and the franchisees of the Kosama franchise system or between SNAP FITNESS® franchisees and franchisees of the KOSAMA® franchise system regarding territory, customers, or franchisor support, although we are not anticipating that any conflicts will arise. Kosama Franchising will be responsible for fulfilling its contractual obligations to its franchisees and we will be responsible for fulfilling our contractual obligations to our franchisees.

Certain locations are by their nature unique and separate in character from sites generally developed as SNAP FITNESS® Clubs ("Special Sites"). These Special Sites are excluded from the Designated Area and we have the right to develop, license or franchise Clubs at these locations within or outside your Designated Area: (1) military bases; (2) public transportation facilities, including, without limitation, airports, limited access highway travel plazas and other transportation terminals; (3) sports facilities, including race tracks; (4) student unions or other similar buildings on college or university campuses; (5) hotels, resorts or similar short-term lodging; (6) apartment or condominium complex; and (7) corporate office buildings or office parks.

We reserve to ourselves all other rights to use the System and Marks anywhere and in any manner including, without limitation, the right to offer, sell or distribute items such as training videos, equipment, athletic gear, etc., associated with the System (now or in the future) or identified by the Marks, or any other trademarks, service marks or trade names, through any distribution channels or methods, without compensation to any franchisee. These distribution channels or methods may include, without limitation, retail stores, mail order, wholesale or the internet (or any other existing or future form of electronic commerce). For instance, we currently offer online enrollment through [www.snapfitness.com](http://www.snapfitness.com). Our reserved rights also include the right for us or our affiliates to provide and to license third parties to provide the FitnessOnDemand™ program, and other ancillary programs developed by or for us or our affiliates, at host locations (such as apartments, condo associations, corporate office buildings, schools, community centers and other gyms and fitness centers).

There are no restrictions on our rights to solicit or accept orders in or outside of your Designated Area. We are not required to compensate you for soliciting or accepting orders in the Designated Area.

Except for the territorial protections described above, you may face competition from other franchisees, from outlets that we own, or from other channels of distribution or competitive brands that we control.

Continuation of your Designated Area does not depend on the achievement of a certain sales volume, market penetration or other contingency. You do not have any right to sublicense or sub-franchise within or outside of the Designated Area. You do not receive the right to acquire additional franchises within or



outside of your Designated Area (although we may allow you to open another club if you sign another Franchise Agreement with us and meet our requirements).

If you fail to acquire a site for the Club within 90 days after the Franchise Agreement is signed, instead of terminating this Agreement, we may eliminate the Designated Area protection and open that area for development by us or another franchisee. If you participate in the Market Accelerator Program and fail to meet the deadlines for one or more Clubs, we may eliminate the Designated Area protection for the remaining Franchise Agreements for Clubs yet to be developed (but not for any Club that is already open). We also may unilaterally modify your Designated Area upon renewal or if you transfer your franchise rights (see Item 17). Other than described above, we have no right to modify your territorial rights except by mutual written consent of the parties.

You may relocate your Club under certain circumstances and subject to our approval, as is stated in Section 5.G of the Franchise Agreement.

### **ITEM 13 TRADEMARKS**

The Franchise Agreement licenses you to use the “Snap Fitness” service mark, as well as other trademarks, service marks, trade names and commercial symbols. We own and have registered the following principal Marks on the Principal Register of the U.S. Patent and Trademark Office and have filed all required affidavits.

<b>Trademark</b>	<b>Register</b>	<b>Registration Date</b>	<b>Registration Number</b>
 SNAP FITNESS	Principal	June 20, 2006	3107672
 SNAP FITNESS FAST-CONVENIENT-AFFORDABLE	Principal	April 25, 2006	3084847

We also claim common law rights to our SNAP FITNESS-24/7 FAST-CONVENIENT-AFFORDABLE logo and other supplementary marks used from time to time in the operation of the franchise. We do not have a federal registration for the “24/7” logo. Therefore, these trademarks do not have many legal benefits and rights as a federally registered trademark. If our right to use our trademark is challenged, you may have to change to an alternative Mark, which may increase your expenses.

Your use of the Marks and any goodwill is to our and our Affiliate’s exclusive benefit and you retain no rights in the Marks. You are not permitted to make any changes or substitutions of any kind in or to the use of the Marks unless we direct in writing. We may change the System presently identified by the Marks including the adoption of new Marks, new program offerings, new equipment or new techniques and you must adopt the changes in the System, as if they were part of the Franchise Agreement at the time of its execution. You must comply, at your cost, within a reasonable time if we notify you to discontinue or modify your use of any Mark. We will have no liability or obligation as to your modification or discontinuance of any Mark.

There are currently no effective material determinations by the United States Patent and Trademark Office, the Trademark Trial and Appeal Board, the trademark administrator of any state, or any court, or any pending infringement, opposition or cancellation proceeding, or any pending material litigation, involving the Marks. There are currently no agreements in effect that significantly limit our rights to use or license the use of any Marks in any manner material to the franchise. There are no infringing uses actually known to us that could materially affect your use of the Marks.

If there is any infringement of, or challenge to, your use of the Marks, you must immediately notify us, and we will take action that we deem appropriate. We have the right to control all administrative proceedings and litigation involving the Marks. The Franchise Agreement does not require us to take

affirmative action if notified of the claim. The Franchise Agreement also does not require us to participate in your defense or to indemnify you for expenses or damages if you are a party to an administrative or judicial proceeding based on your use of the Marks, or if the proceeding is resolved unfavorably to you. If we determine that a trademark infringement action requires changes or substitutions to the Marks, you must make the changes or substitutions at your own expense.

#### ***ITEM 14***

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

There are no patents or copyrights currently registered that are material to the franchise, although we do claim copyright ownership and protection for the design elements of our Marks, and the content of our Manual, training materials, web site, and promotional and other materials.

There are currently no effective determinations of the Copyright Office (Library of Congress), United States Patent and Trademark Office, Board of Patent Appeals and Interferences, or any court, or any pending infringement, opposition or cancellation proceeding or any pending material litigation involving any patents or copyrights. There are currently no agreements in effect that significantly limit our rights to use or license the use of any patents or copyrights in any manner material to the franchise. There are no infringing uses actually known to us that could materially affect your use of the patents or copyrights.

We are not obligated to protect you against infringement or unfair competition claims arising out of your use of any patents or copyrights, or to participate in your defense or indemnify you. We reserve the right to control any litigation related to any patents and copyrights and we have the sole right to decide to pursue or settle any infringement actions related to the patents or copyrights. You must notify us promptly of any infringement or unauthorized use of the patents or copyrights of which you become aware.

You must keep confidential during and after the term of the Franchise Agreement all proprietary information, including but not limited to the manuals. Upon termination of your Franchise Agreement, you must return to us all proprietary information, including but not limited to the manuals and all other copyright material. You must notify us immediately if you learn about an unauthorized use of proprietary information. We are not obligated to take any action and we have the sole right to decide the appropriate response to any unauthorized use of proprietary information. You must comply with all changes to the manuals at your cost.

#### ***ITEM 15***

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

During the term of the Franchise Agreement, you (if franchisee is an individual) or your general manager must devote sufficient time and best efforts to the management of the Club. You are expected to stay informed about our organizational plans, initiatives and direction by regular review of communications sent to you electronically or otherwise.

You or your general manager must provide direct on-premises supervision to the Club. The general manager must complete our training course. He or she need not have any equity interest in the franchisee or the business entity that owns or operates the franchise. If he or she fails to satisfactorily complete the training program, you may designate a different individual and you must notify us immediately. We may request that you are present at the Club for any inspection or evaluation we conduct.

All officers, directors, members and all managers, instructors and other employees having access to our proprietary information must execute non-disclosure agreements in a form we accept. If we so require, your managers, instructors and other employees receiving training from us must execute covenants not to compete in a form that we approve.

Any individual or entity that holds, directly or indirectly, a 25% or greater equity interest in the franchisee must sign a personal guaranty.

#### ***ITEM 16***

#### **RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL**

You must offer at the Club all of the products, equipment and services that we periodically require and you may not offer at the Club any unapproved products or use the premises for any purpose other than the operation of the Club. We have the unlimited right to change the types of authorized services you may offer. Currently, required services include that you must offer members an option for month-to-month membership and required promotions include a 30-day trial pass for \$8.95.

If permitted by state and local law, you must be open for business every day of the week for 24 hours. You may solicit and accept Memberships within your Designated Area. We may periodically negotiate contracts with corporations, affinity groups and insurance plans that will require that certain terms or discounts be offered to members of that corporation, affinity group or insurance plan by all franchisees at all locations (“**National Accounts**”). You must provide the special terms and/or discounts to these National Accounts. You are not otherwise limited in the customers to whom you may sell products or services.

You may not install or maintain on the Club premises any gaming, entertainment or vending machine without our prior written approval and you must agree to participate in any vending or media program we establish for the system.

#### ***ITEM 17***

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

#### **THE FRANCHISE RELATIONSHIP**

**This table lists certain important provisions of the franchise and related agreements. You should read these provisions in the agreements attached to this Disclosure Document.**



	Provision	Section in Franchise or Other Agreement	Summary
a.	Length of the franchise term	Section 4A	Term is 10 years
b.	Renewal or extension	Section 4B	Renewal for unlimited additional 10-year terms
c.	Requirements for franchisee to renew or extend	Section 4B	You must give us written notice of your decision to renew at least six months but not more than 12 months before the end of the expiring term; you must sign our then-current form of Franchise Agreement, the terms and conditions of which may be materially different than the terms and conditions of our current Franchise Agreement and which may contain terms less favorable to you, including different fees and a different Designated Area; you have complied with the modernization requirements for your Club; you are not in default and have satisfied your obligations on a timely basis; if leasing, you have written proof of your ability to remain in possession of the Club premises throughout the renewal term and provide any then-required lease addendum; you comply with our training requirements; and you sign a release (provided that any release will not be inconsistent with any state law regulating franchising).
d.	Termination by franchisee	Section 13C	You may terminate the Franchise Agreement only for a material breach by us, provided you give us written notice of the breach and allow at least 60 days notice and opportunity to cure such breach and, if not cured, wait 90 days from the original notice of breach before terminating the Franchise Agreement.
e.	Termination by franchisor without cause	None	
f.	Termination by franchisor with cause	Sections 13A and B  <u>2014 Franchisee Expansion Addendum</u>	We can terminate the Franchise Agreement only if you default or fail to comply with your obligations.  <u>The Franchise Agreement will automatically expire and terminate if a lease is not signed by November 1, 2014.</u>



	Provision	Section in Franchise or Other Agreement	Summary
g.	“Cause” defined – curable defaults	Sections 13A and B	You have 10 days to cure the non-submission of reports and non-payment of amounts due and owing; and 30 days to cure defaults for the failure to abide by our standards and requirements in connection with the operation of your business, or failure to meet any requirements or specifications established by us, and any other default not listed in h below.
h.	“Cause” defined – non-curable defaults	Sections 13A and B	Non-curable defaults include: failure to acquire a site for the Club within 90 days after the Franchise Agreement is signed, or to open the Club for business within 180 days after the Franchise Agreement is signed, abandonment, loss of lease, the failure to timely cure a default under the lease, the loss of your right of possession or failure to relocate, closing of Club, insolvency, unapproved assignments or transfers, convictions, intentionally understating or underreporting Memberships or fees, multiple defaults, or failure to cure within 24 hours of notice a default which materially impairs the goodwill associated with any of our Marks.
i.	Franchisee’s obligations on termination/non-renewal	Sections 10D and 14A-C	Obligations include complete de-identification and payment of amounts due, assignment of your lease to us upon our demand, assignment to us of your telephone numbers, return of manuals and proprietary materials, refunding members, and our right to purchase assets of the Club (also see o and r below).
j.	Assignment of contract by franchisor	Section 11F	No restriction on our right to assign.
k.	“Transfer” by franchisee – defined	Section 11A	Includes any transfer of your interest in the Franchise Agreement or in the business or any ownership change listed in Section 11A of the Franchise Agreement.
l.	Franchisor approval of transfer by franchisee	Section 11B	We have the right to approve all transfers but will not unreasonably withhold approval.
m.	Conditions for franchisor approval of transfer	Sections 11B-D	Transferee meets all of our then-current requirements for one of the franchise development programs then being offered, transferee must sign our then-current form of Franchise Agreement, the terms and conditions of which may be materially different than the terms and conditions of our current Franchise Agreement and which may contain terms less favorable to the transferee, including different fees and a different Designated Area; applicable transfer fee paid, all amounts owed by prior franchisee paid, required modernization is completed, training completed,

	Provision	Section in Franchise or Other Agreement	Summary
			required guarantees signed, necessary financial reports and other data on franchise business is prepared, and release signed by you (provided release will not be inconsistent with any state law regulating franchising (also see r below).
n.	Franchisor's right of first refusal to acquire franchisee's business	Section 11E	We can match any offer for your Club assets and, in the case of a proposed stock sale, we can purchase your Club assets at a price determined by an appraiser, unless you and we agree otherwise.
o.	Franchisor's option to purchase franchisee's business	Section 14B  <del>"Platinum" Addendum</del>	Upon expiration or termination, we have the right to assume your lease for the Club premises, to assume all membership contracts, to assume all telephone numbers used in connection with the operation of your Club, and to purchase or designate a third party that will purchase all or any portion of the assets of your Club, including the equipment, fixtures, signs, furnishings, supplies, leasehold improvements and inventory. Qualified appraiser(s) will determine price as described in the Franchise Agreement.  <del>We have an option to purchase a club opened under this program for a purchase price of 3 times EBITDA (earnings before interest, taxes, depreciation and amortization).</del>
p.	Death or disability of franchisee	Section 11D	You can transfer your franchise right to your heir or successor in interest like any other transfer, but if assignee is an existing franchisee, your spouse or your child, no transfer fee is required.
q.	Non-competition covenants during the term of the franchise	Section 10D	No direct or indirect involvement in the operation of any fitness business other than one authorized in the Franchise Agreement.
r.	Non-competition covenants after the franchise is terminated or expires	Section 10D	No direct or indirect involvement in a competing business for two years at the premises of the former Club; within 10 miles of the former Club; within any other franchisee's Designated Area; or within 10 miles of any other business or Club using the System.
s.	Modification of agreement	Section 15B	No modifications generally, but we have the right to change the Manual and the list of authorized trademarks. We also have the right to define your Designated Area once you have acquired a site for the Club.

	Provision	Section in Franchise or Other Agreement	Summary
t.	Integration/merger clause	Section 15B	Only the terms of the Franchise Agreement are binding (subject to state law). We do not disclaim any representations made in this Franchise Disclosure Document.
u.	Dispute resolution by arbitration or mediation	Section 12	Except for certain claims, all disputes must first be submitted to mediation and, if not resolved by mediation, must be arbitrated in Minneapolis, Minnesota (subject to state law).
v.	Choice of forum	Section 15I	Litigation must be in Minneapolis, Minnesota, except as restricted or prohibited by applicable state law regulating franchising.
w.	Choice of law	Section 15H	Minnesota law governs construction of the Franchise Agreement and the parties' relationship, except as restricted or prohibited by applicable state law regulating franchising.

## **ITEM 18 PUBLIC FIGURES**

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

## **ITEM 19 FINANCIAL PERFORMANCE REPRESENTATIONS**

The FTC's Franchise Rule permits a franchisor to provide information about the actual or potential financial performance of its franchised or franchisor-owned outlets, if there is a reasonable basis for the information and if the information is included in the Disclosure Document. Financial performance information that differs from that included in Item 19 may be given only if (1) a franchisor provides the actual records of an existing outlet you are considering buying; or (2) a franchisor supplements the information provided in this Item 19, for example, by providing information about possible performance at a particular location or under particular circumstances.

### **Historic Member Numbers at Clubs**

The chart below shows the average number of members for the ~~920960~~ SNAP FITNESS® Clubs that operated for a full 24 months as of December 31, ~~2013~~~~2012~~, including ~~4879~~ corporate and ~~872881~~ franchised locations. The average is based on the average members per month from January to December ~~2013~~~~2012~~.

	Average Members
High	<del>2168</del> <del>1895</del> members
Top Third Average ( <del>307320</del> clubs)	<del>836882</del> members
Middle Third Average ( <del>307320</del> clubs)	<del>521544</del> members
Bottom Third Average ( <del>306320</del> clubs)	<del>331345</del> members

Notes:

Of the ~~920~~960 clubs, ~~122~~123 (13%) exceeded the average of ~~836~~882 members for the top third; ~~460~~ (~~504~~72 (49%)) exceeded the average of ~~521~~544 members for the middle third and ~~773~~ (~~848~~20 (85%)) exceeded the average of ~~331~~345 members for the bottom third.

Some outlets attained these results. Your individual results may differ. There is no assurance that you will earn as much.

#### **Historic Member Ramp-Up**

The chart below shows the member levels for the 6<sup>th</sup> and 12<sup>th</sup> month of operation of the 63 clubs that opened in 2012 (including 38 franchised and 25 corporate locations).

<u>Months of Operation</u>	<u>400+ Members</u>		<u>600+ Members</u>		<u>800+ Members</u>	
	<u>All</u>	<u>Corporate</u>	<u>All</u>	<u>Corporate</u>	<u>All</u>	<u>Corporate</u>
<u>6 Months</u>	<u>64%</u> <u>(40 clubs)</u>	<u>68%</u> <u>(17 clubs)</u>	<u>32%</u> <u>(20 clubs)</u>	<u>32%</u> <u>(8 clubs)</u>	<u>13%</u> <u>(8 clubs)</u>	<u>12%</u> <u>(3 clubs)</u>
<u>12 Months</u>	<u>74%</u> <u>(47 clubs)</u>	<u>92%</u> <u>(23 clubs)</u>	<u>46%</u> <u>(29 clubs)</u>	<u>48%</u> <u>(12 clubs)</u>	<u>24%</u> <u>(15 clubs)</u>	<u>28%</u> <u>(7 clubs)</u>

### Historic Personal Training Revenue

High	Average	Attained or Surpassed Average Sales Results
<del>\$286,474.10</del> <u>\$226,722.50</u>	<del>\$22,591.79</del> <u>\$23,623.16</u>	<del>30% (144)</del> <u>29% (177 Clubs)</u>

#### Notes:

Not all clubs offer personal training and clubs are not required to report personal training revenue to us. The information above reflects the personal training revenue reported through our member billing system for ~~482~~605 of the clubs that operated for a full 24 months as of December 31, ~~2013~~2012 and reported at least ~~\$1000~~\$1,000 of personal training revenue. Personal training varies widely by club depending on the ability to find qualified and motivated personal trainers and management of the personal training program.

Some outlets attained these results. Your individual results may differ. There is no assurance that you will earn as much.

### Projected Annual Cash Flows

#### Statement of Bases and Material Assumptions

The following chart reflects a franchisee's projected revenues based on 400 members, 600 members and 800 members. We based the revenue and expense projections on our experience with affiliate and corporate SNAP FITNESS Clubs and the information we obtain from our designated billing provider. In preparing these projections, we assumed that market conditions will stabilize or improve and that unemployment rates will remain stable or decrease.

	400 Members	600 Members	800 Members
Annual Membership Operating Revenue <sup>(1)</sup>	<del>\$156,400</del> <u>\$153,000</u>	<del>\$234</del> <u>\$229,600</u>	<del>\$312,700</del> <u>\$306,100</u>
Enrollment Cards/ Access Fees Collected <sup>(2)</sup>	\$9,800	\$14,700	\$19,600
Miscellaneous Revenue (Vending Machine Sales) <sup>(3)</sup>	\$600	\$600	\$600
Personal Training Revenue <sup>(4)</sup>	<del>\$23,500</del> <u>\$000</u>	<del>\$35,200</del> <u>\$34,400</u>	<del>\$46</del> <u>\$45,900</u>

	400 Members	600 Members	800 Members
<b>Total Annual Operating Revenue</b>	<b><del>\$190,300</del><u>186,400</u></b>	<b><del>\$285,100</del><u>279,300</u></b>	<b><del>\$379,800</del><u>372,200</u></b>
Occupancy <sup>(5)</sup>	<del>\$48,000</del> <u>52,500</u>	<del>\$48,000</del> <u>52,500</u>	<del>\$48,000</del> <u>52,500</u>
Equipment Lease <sup>(6)</sup>	\$45,700	\$45,700	\$45,700
Personal Training Commissions <sup>(4)</sup>	<del>\$16,500</del> <u>13,800</u>	<del>\$24</del> <u>20,600</u>	<del>\$32,800</del> <u>27,500</u>
Continuing Fee	<del>\$5,868</del> <u>988</u>	<del>\$5,868</del> <u>988</u>	<del>\$5,868</del> <u>988</u>
Web Hosting Fee	<del>\$360</del> <u>372</u>	<del>\$360</del> <u>372</u>	<del>\$360</del> <u>372</u>
National Marketing Fee	<del>\$1,500</del> <u>560</u>	<del>\$1,500</del> <u>560</u>	<del>\$1,500</del> <u>560</u>
Member Engager Fee	\$360	\$360	\$360
Enrollment/Access/Ongoing Membership Maintenance Fees <sup>(7)</sup>	<del>\$11,300</del> <u>500</u>	<del>\$16,700</del> <u>900</u>	<del>\$22,400</del> <u>300</u>
Utilities/TV/Phone/Internet <sup>(8)</sup>	\$13,800	\$15,000	\$16,200
Insurance <sup>(9)</sup>	\$3,072	\$3,072	\$3,072
Office Supplies, Repairs and Maintenance, Miscellaneous	\$8,400	\$10,800	\$13,200
Advertising and Marketing <sup>(10)</sup>	<del>\$9,400</del> <u>200</u>	<del>\$14,100</del> <u>13,800</u>	<del>\$18,800</del> <u>400</u>
<b>Total Annual Operating Expenses</b>	<b><del>\$164,260</del><u>166,252</u></b>	<b><del>\$186,060</del><u>652</u></b>	<b><del>\$207,960</del><u>152</u></b>
<b>Gross Annual Operating Cash Flow (before wages and taxes)</b>	<b><del>\$26,040</del><u>20,148</u></b>	<b><del>\$99,040</del><u>92,648</u></b>	<b><del>\$171,840</del><u>165,048</u></b>
Wages and Payroll Expenses <sup>(11)</sup>	\$25,000	\$25,000	\$25,000
Membership Sales Commissions <sup>(11)</sup>	\$3,920	\$5,880	\$7,840

These figures are only estimates of what we think you may earn. Your individual results may differ. There is no assurance that you'll earn as much.

**Notes.** We rounded all revenues and expenses to the nearest \$100 (except amounts you pay to us and our affiliates).

**Note 1.** Based on membership data from our authorized billing software, a club will generally have 70% as many memberships as members. In other words, if you have 600 members, on average, you could expect to have approximately 420 memberships. Typical membership fees are \$29.95 to \$39.95 for a single membership and \$49.95 to \$59.95 for a joint membership and \$69.95 to \$79.95 for a family membership. You set your own membership prices (except for National Accounts and certain promotional programs as described in Item 16). Membership rates vary between clubs. For example, you may offer discounts on membership pricing for pre-paid memberships, corporate discount programs and other special promotions. If you offer tanning, you may also offer tanning memberships. Under the Franchise Agreement, we have the right in the future to establish maximum or minimum membership rates, subject to applicable law. The numbers in the chart reflect an average membership rate of ~~\$46.54~~45.55 per month, which is the average amount of membership dues for the ~~920~~960 clubs whose average members are included above based on the information entered into the billing system. The revenue numbers in this table assume that you collect membership fees for each active membership.

**Note 2.** You will also charge enrollment and access fees for new memberships. The figures in the chart assume that you would collect on average \$50 for a new membership and a ~~70~~60% attrition rate. This

amount will vary depending on how many new members join the Club and whether the enrollment and access fees are reduced or waived.

Note 3. We must approve all vending machines and you must participate in our system-wide vending program and use our approved vendor.

Note 4. The figure in the chart assumes that you offer personal training in your club and that personal training revenue is approximately 15% of your monthly membership revenue. The estimate of personal training commissions assumes your personal trainer receives 70% of the personal training fees as commission. Personal training varies widely by club depending on the ability to find qualified and motivated personal trainers and management of the personal training program. See historic personal training revenue information above.

Note 5. The recommended size of a club is 3,000 to 4,500 square feet. Our projection is based on a ~~3000~~3500 square foot club with gross rent of \$~~46~~15.00 per square foot. If your rent is higher or you choose to lease a larger space, your costs will be higher.

Note 6. This amount assumes an equipment package of \$200,000 and that you lease the equipment under a 60-month lease agreement with a 13% interest rate and that you paid in advance a 20% down payment and taxes, shipping and installation.

Note 7. This amount is based on a \$~~45~~69.00 ~~vendor~~-software license fee, 4% transaction fees, the \$0.~~55~~56 monthly per membership maintenance fee, \$5.~~20~~30 per membership for the membership agreement fee, \$5.00 per member for an access card and \$1.00 per member for the online services fee.

Note 8. These amounts are based on our experience with our corporate and affiliate Clubs and may vary depending on your location and operations.

Note 9. The insurance cost is based on participation in the SAPP insurance program (see Item 8).

Note 10. The amount for advertising and marketing is based on spending 6% of monthly membership revenue on marketing activities. This amount would include local ad coop contributions in markets where an ad coop has been established (see Item 11 for additional information on ad coops). We generally recommend spending 4-6% of total revenue on marketing.

Note 11. If you manage the club, you will not have wage or payroll expense (except the amount you pay or distribute to yourself). The estimate of wages, payroll expense and commissions assumes you would have one club manager who works 30 to 35 hours per week at the club. Your payroll expenses will vary depending on the payroll taxes, workers compensation expense in your state and any benefits you provide to your manager. If you are an absentee-owner or operate in a state that requires additional staffing, your wage and payroll expenses could be significantly higher.

**Written substantiation for the financial performance representation will be made available to you upon reasonable request.**

Except for the information presented above, we do not make any representations about a franchisee's future financial performance or the past financial performance of company-owned or franchised Clubs. 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 future income, you should report it to the franchisor's management by contacting ~~Gary Findley, Scott Schubiger,~~ Senior Vice President, Global Sales Senior Vice Presiden of Franchise Development, Snap Fitness, Inc., 2411 Galpin Court, Suite 110, Chanhassen, MN 55317, 952-474-5422, the Federal Trade Commission, and the appropriate state regulatory agencies.



**ITEM 20**  
**OUTLETS AND FRANCHISEE INFORMATION**

Table No. 1  
for Years ~~2010~~2011 to ~~2013~~2012

Outlet Type	Year	Outlets at the Start Of the Year	Outlets at the End Of the Year	Net Change
Franchised Outlets	<del>2011</del> <u>2010</u>	<del>945</del> <u>998</u>	<del>1030</del> <u>998</u>	<del>+53</del> <u>33</u>
	<del>2012</del> <u>2011</u>	<del>998</del> <u>1030</u>	<del>986</del> <u>1030</u>	<del>+33</del> <u>44</u>
	<del>2013</del> <u>2012</u>	<del>1030</del> <u>986</u>	<del>986</del> <u>953</u>	<del>-44</del> <u>33</u>
Company Owned	<del>2011</del> <u>2010</u>	<del>16</del> <u>27</u>	<del>27</del> <u>55</u>	<del>+11</del> <u>28</u>
	<del>2012</del> <u>2011</u>	<del>27</del> <u>55</u>	<del>55</del> <u>102</u>	<del>+28</del> <u>47</u>
	<del>2013</del> <u>2012</u>	<del>55</del> <u>102</u>	<del>102</del> <u>127</u>	<del>+47</del> <u>25</u>
Total Outlets	<del>2011</del> <u>2010</u>	<del>1025</del> <u>964</u>	<del>1085</del> <u>1025</u>	<del>+64</del> <u>60</u>
	<del>2012</del> <u>2011</u>	<del>1025</del> <u>1085</u>	<del>1088</del> <u>1085</u>	<del>+60</del> <u>3</u>
	<del>2013</del> <u>2012</u>	<del>1085</del> <u>1088</u>	<del>1088</del> <u>1080</u>	<del>+3</del> <u>8</u>

Table No. 2  
Transfers of Outlets from Franchisees to New Owners (other than Franchisor)  
for Years ~~2010~~2011 to ~~2013~~2012

State	Year	Number of Transfers
Alabama	<del>2011</del> <u>2010</u>	0
	<del>2012</del> <u>2011</u>	<del>0</del> <u>1</u>
	<del>2013</del> <u>2012</u>	1
Arizona	<del>2011</del> <u>2010</u>	2
	<del>2012</del> <u>2011</u>	2
	<del>2013</del> <u>2012</u>	<del>2</del> <u>0</u>
California	<del>2011</del> <u>2010</u>	<del>1</del> <u>0</u>
	<del>2012</del> <u>2011</u>	0
	<del>2013</del> <u>2012</u>	0
Colorado	<del>2011</del> <u>2010</u>	0
	<del>2012</del> <u>2011</u>	0
	<del>2013</del> <u>2012</u>	<del>0</del> <u>3</u>
Connecticut	<del>2011</del> <u>2010</u>	<del>0</del> <u>2</u>
	<del>2012</del> <u>2011</u>	<del>2</del> <u>0</u>
	<del>2013</del> <u>2012</u>	<del>0</del> <u>1</u>
Delaware	<del>2011</del> <u>2010</u>	0
	<del>2012</del> <u>2011</u>	<del>0</del> <u>2</u>
	<del>2013</del> <u>2012</u>	<del>2</del> <u>0</u>
Florida	<del>2011</del> <u>2010</u>	<del>1</del> <u>3</u>
	<del>2012</del> <u>2011</u>	<del>3</del> <u>4</u>
	<del>2013</del> <u>2012</u>	<del>4</del> <u>0</u>

State	Year	Number of Transfers
Georgia	<del>2011</del> 2010	0
	<del>2012</del> 2011	<del>0</del> 5
	<del>2013</del> 2012	<del>5</del> 2
Idaho	<del>2011</del> 2010	1
	<del>2012</del> 2011	<del>1</del> 0
	<del>2013</del> 2012	0
Iowa	<del>2011</del> 2010	<del>4</del> 5
	<del>2012</del> 2011	5
	<del>2013</del> 2012	<del>5</del> 1
Illinois	<del>2011</del> 2010	<del>0</del> 2
	<del>2012</del> 2011	<del>2</del> 3
	<del>2013</del> 2012	<del>3</del> 2
Indiana (+)	<del>2011</del> 2010	<del>7</del> 1
	<del>2012</del> 2011	<del>4</del> 6
	<del>2013</del> 2012	<del>6</del> 0
Kansas	<del>2011</del> 2010	<del>2</del> 3
	<del>2012</del> 2011	<del>3</del> 1
	<del>2013</del> 2012	<del>1</del> 0
Kentucky	<del>2011</del> 2010	<del>1</del> 0
	<del>2012</del> 2011	<del>0</del> 2
	<del>2013</del> 2012	2
Louisiana	<del>2011</del> 2010	<del>2</del> 6
	<del>2012</del> 2011	<del>6</del> 9
	<del>2013</del> 2012	<del>9</del> 3
Maryland	<del>2011</del> 2010	<del>0</del> 1
	<del>2012</del> 2011	<del>1</del> 2
	<del>2013</del> 2012	<del>2</del> 0
Massachusetts	<del>2011</del> 2010	0
	<del>2012</del> 2011	0
	<del>2013</del> 2012	0
Michigan	<del>2011</del> 2010	<del>3</del> 4
	<del>2012</del> 2011	<del>4</del> 0
	<del>2013</del> 2012	<del>0</del> 6
Minnesota	<del>2011</del> 2010	<del>1</del> 015
	<del>2012</del> 2011	<del>1</del> 58
	<del>2013</del> 2012	<del>8</del> 9
Mississippi	<del>2011</del> 2010	1
	<del>2012</del> 2011	<del>1</del> 2
	<del>2013</del> 2012	<del>2</del> 0
Montana	<del>2011</del> 2010	<del>0</del> 1
	<del>2012</del> 2011	<del>1</del> 0
	<del>2013</del> 2012	<del>0</del> 1

State	Year	Number of Transfers
Missouri	<del>2011</del> 2010	<del>4</del> 2
	<del>2012</del> 2011	<del>2</del> 3
	<del>2013</del> 2012	<del>3</del> 2
Nebraska	<del>2011</del> 2010	<del>4</del> 3
	<del>2012</del> 2011	<del>3</del> 4
	<del>2013</del> 2012	<del>4</del> 2
Nevada	<del>2011</del> 2010	<del>0</del> 3
	<del>2012</del> 2011	<del>3</del> 0
	<del>2013</del> 2012	0
New Jersey	<del>2011</del> 2010	<del>2</del> 1
	<del>2012</del> 2011	1
	<del>2013</del> 2012	<del>1</del> 4
New York	<del>2011</del> 2010	<del>0</del> 4
	<del>2012</del> 2011	<del>4</del> 1
	<del>2013</del> 2012	<del>1</del> 2
North Carolina	<del>2011</del> 2010	<del>0</del> 3
	<del>2012</del> 2011	<del>3</del> 2
	<del>2012</del> 2013	<del>2</del> 1
North Dakota	<del>2011</del> 2010	0
	<del>2012</del> 2011	0
	<del>2012</del> 2013	<del>0</del> 2
Ohio	<del>2011</del> 2010	0
	<del>2012</del> 2011	<del>0</del> 1
	<del>2012</del> 2013	<del>1</del> 2
Oregon	<del>2011</del> 2010	<del>1</del> 0
	<del>2012</del> 2011	<del>0</del> 1
	<del>2012</del> 2013	<del>1</del> 0
Pennsylvania	<del>2011</del> 2010	<del>1</del> 0
	<del>2012</del> 2011	<del>0</del> 6
	<del>2012</del> 2013	<del>6</del> 1
South Carolina	<del>2011</del> 2010	0
	<del>2012</del> 2011	<del>0</del> 1
	<del>2012</del> 2013	<del>1</del> 0
South Dakota	<del>2011</del> 2010	<del>3</del> 0
	<del>2012</del> 2011	<del>0</del> 1
	<del>2012</del> 2013	1
Tennessee	<del>2011</del> 2010	<del>1</del> 0
	<del>2012</del> 2011	<del>0</del> 2
	<del>2012</del> 2013	<del>2</del> 3
Texas	<del>2011</del> 2010	<del>3</del> 4
	<del>2012</del> 2011	<del>4</del> 3
	<del>2012</del> 2013	<del>3</del> 5

State	Year	Number of Transfers
Utah	<del>2011</del> 2010	<del>0</del> 2
	2012 <del>2011</del>	<del>2</del> 0
	20122013	<del>0</del> 2
Virginia	<del>2011</del> 2010	1
	2012 <del>2011</del>	<del>1</del> 3
	20122013	<del>3</del> 0
Washington	<del>2011</del> 2010	4
	2012 <del>2011</del>	0
	20122013	<del>0</del> 1
Wisconsin	<del>2011</del> 2010	6
	2012 <del>2011</del>	<del>6</del> 19
	20122013	<del>19</del> 4
Total	<del>2011</del> 2010	<del>64</del> 80
	2012 <del>2011</del>	<del>80</del> 98
	20122013	<del>98</del> 62

Note 1: One location in Indiana was transferred twice in 2010 and is counted as two transfers in the table.

**Table No. 3**  
**Status of Franchised Outlets**  
for Years ~~2010~~2011 to ~~2013~~2012

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired By Franchisor	Ceased Operations -Other Reasons	Outlets at End of the Year
Alabama	<del>2011</del> 2010	<del>10</del> 11	1	0	0	0	<del>0</del> 1	11
	2012 <del>2011</del>	11	<del>1</del> 0	<del>0</del> 1	0	0	<del>1</del> 0	<del>11</del> 10
	20122013	<del>11</del> 10	0	<del>1</del> 0	0	0	0	10
Arizona	<del>2011</del> 2010	<del>20</del> 22	<del>2</del> 1	<del>0</del> 1	0	0	0	22
	20112012	22	<del>1</del> 0	<del>1</del> 0	0	<del>0</del> 2	0	<del>22</del> 20
	20122013	<del>22</del> 20	<del>0</del> 1	<del>0</del> 1	0	<del>2</del> 0	0	20
Arkansas	<del>2011</del> 2010	<del>2</del> 3	1	0	0	0	0	<del>3</del> 4
	2012 <del>2011</del>	<del>3</del> 4	<del>1</del> 0	0	0	0	0	4
	20122013	4	0	0	0	0	0	4
California	<del>2011</del> 2010	27	<del>4</del> 2	<del>1</del> 0	0	0	<del>3</del> 0	<del>27</del> 29
	2012 <del>2011</del>	<del>27</del> 29	2	0	<del>0</del> 2	<del>0</del> 3	<del>0</del> 1	<del>29</del> 25
	20122013	<del>29</del> 25	<del>2</del> 0	0	<del>2</del> 1	<del>3</del> 0	<del>1</del> 3	<del>25</del> 21
Colorado	<del>2011</del> 2010	<del>19</del> 17	<del>1</del> 0	0	0	0	<del>3</del> 0	17
	2012 <del>2011</del>	17	0	0	<del>0</del> 2	<del>0</del> 1	<del>0</del> 2	<del>17</del> 12
	20122013	<del>17</del> 12	0	<del>0</del> 1	<del>2</del> 0	<del>1</del> 0	<del>2</del> 0	<del>12</del> 11
Connecticut	<del>2011</del> 2010	<del>5</del> 6	<del>1</del> 3	0	0	0	0	<del>6</del> 9
	2012 <del>2011</del>	<del>6</del> 9	<del>3</del> 0	0	0	<del>0</del> 4	0	<del>9</del> 5
	20122013	<del>9</del> 5	0	0	0	<del>4</del> 0	0	5
Delaware	<del>2011</del> 2010	<del>4</del> 6	<del>2</del> 0	0	0	0	0	6
	2012 <del>2011</del>	6	0	0	0	0	0	6
	20122013	6	0	0	0	0	0	6

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired By Franchisor	Ceased Operations -Other Reasons	Outlets at End of the Year
Florida	<del>2011</del> 2010	<del>29</del> 32	<del>4</del> 0	<del>0</del> 1	0	<del>0</del> 1	<del>1</del> 4	<del>32</del> 26
	<del>2012</del> 2011	<del>32</del> 26	<del>0</del> 1	<del>1</del> 0	<del>0</del> 1	<del>1</del> 0	<del>4</del> 2	<del>26</del> 24
	<del>2012</del> 2013	<del>26</del> 24	<del>1</del> 0	0	1	0	<del>2</del> 1	<del>24</del> 22
Georgia (1)	<del>2011</del> 2010	21	<del>5</del> 0	<del>3</del> 1	0	0	<del>2</del> 1	<del>21</del> 19
	<del>2012</del> 2011	<del>21</del> 19	<del>0</del> 3	<del>1</del> 0	<del>0</del> 1	<del>0</del> 1	<del>1</del> 0	<del>19</del> 21
	<del>2012</del> 2013	<del>19</del> 21	<del>3</del> 1	0	<del>1</del> 3	<del>1</del> 0	<del>0</del> 1	<del>21</del> 18
Idaho	<del>2011</del> 2010	<del>4</del> 3	<del>0</del> 1	0	0	0	<del>1</del> 0	<del>34</del>
	<del>2012</del> 2011	<del>34</del>	<del>1</del> 0	0	0	0	<del>0</del> 1	<del>43</del>
	<del>2012</del> 2013	<del>43</del>	0	0	0	0	<del>1</del> 0	3
Illinois (2)	<del>2011</del> 2010	<del>38</del> 39	3	0	0	0	<del>1</del> 3	39
	<del>2012</del> 2011	39	<del>3</del> 2	0	0	0	<del>3</del> 1	<del>39</del> 40
	<del>2012</del> 2013	<del>39</del> 40	<del>2</del> 1	0	0	0	1	40
Indiana	<del>2011</del> 2010	<del>10</del> 11	<del>1</del> 2	0	0	0	<del>0</del> 1	<del>11</del> 12
	<del>2012</del> 2011	<del>11</del> 12	<del>2</del> 0	0	0	0	<del>1</del> 3	<del>12</del> 9
	<del>2012</del> 2013	<del>12</del> 9	<del>0</del> 1	0	0	0	<del>3</del> 0	<del>9</del> 10
Iowa	<del>2011</del> 2010	27	0	0	0	0	0	27
	<del>2012</del> 2011	27	<del>0</del> 1	0	<del>0</del> 2	0	<del>0</del> 1	<del>27</del> 25
	<del>2012</del> 2013	<del>27</del> 25	<del>1</del> 2	0	<del>2</del> 1	0	<del>1</del> 0	<del>25</del> 26
Kansas	<del>2011</del> 2010	11	<del>1</del> 0	0	0	0	<del>1</del> 0	11
	<del>2012</del> 2011	11	0	<del>0</del> 1	0	0	<del>0</del> 1	<del>11</del> 9
	<del>2012</del> 2013	<del>11</del> 9	<del>0</del> 1	<del>1</del> 0	0	0	<del>1</del> 0	<del>9</del> 10
Kentucky	<del>2011</del> 2010	<del>18</del> 20	<del>2</del> 1	0	0	0	0	<del>20</del> 21
	<del>2012</del> 2011	<del>20</del> 21	1	0	0	0	<del>0</del> 2	21
	<del>2012</del> 2013	21	<del>1</del> 0	0	0	0	<del>2</del> 0	21
Louisiana	<del>2011</del> 2010	<del>42</del> 44	<del>4</del> 3	2	0	0	0	<del>44</del> 45
	<del>2012</del> 2011	<del>44</del> 45	<del>3</del> 0	<del>2</del> 0	0	<del>0</del> 1	<del>0</del> 2	<del>45</del> 42
	<del>2012</del> 2013	<del>45</del> 42	<del>0</del> 1	0	0	1	2	<del>42</del> 40
Maine	<del>2011</del> 2010	4	0	0	0	0	0	4
	<del>2012</del> 2011	4	0	0	0	0	0	4
	<del>2012</del> 2013	4	0	0	<del>0</del> 1	0	0	<del>4</del> 3
Maryland	<del>2011</del> 2010	<del>12</del> 11	0	<del>0</del> 1	0	0	<del>1</del> 0	<del>11</del> 10
	<del>2012</del> 2011	<del>11</del> 10	0	<del>1</del> 0	<del>0</del> 1	0	<del>0</del> 1	<del>10</del> 8
	<del>2012</del> 2013	<del>10</del> 8	0	0	1	<del>0</del> 1	1	<del>8</del> 5
Massachusetts	<del>2011</del> 2010	3	0	0	0	0	0	3
	<del>2012</del> 2011	3	<del>0</del> 1	0	0	0	0	<del>3</del> 4
	<del>2012</del> 2013	<del>34</del>	1	0	0	0	0	<del>4</del> 5
Michigan (3)	<del>2011</del> 2010	<del>58</del> 69	<del>15</del> 9	<del>0</del> 1	0	0	<del>4</del> 1	<del>69</del> 76
	<del>2012</del> 2011	<del>69</del> 76	<del>9</del> 5	<del>1</del> 0	<del>0</del> 1	<del>0</del> 1	<del>1</del> 3	76
	<del>2012</del> 2013	76	<del>5</del> 1	<del>0</del> 1	<del>1</del> 2	<del>1</del> 0	3	<del>76</del> 71
Minnesota (4)	<del>2011</del> 2010	147	<del>3</del> 5	<del>0</del> 2	<del>0</del> 1	<del>1</del> 2	<del>2</del> 1	<del>147</del> 146
	<del>2012</del> 2011	<del>147</del> 146	<del>5</del> 0	<del>2</del> 0	1	2	<del>1</del> 0	<del>146</del> 143
	<del>2012</del> 2013	<del>146</del> 143	<del>0</del> 1	0	<del>1</del> 0	<del>2</del> 0	<del>0</del> 1	143
Mississippi	<del>2011</del> 2010	19	1	0	0	<del>0</del> 1	<del>1</del> 0	19
	<del>2012</del> 2011	19	<del>1</del> 0	0	0	<del>1</del> 2	0	<del>19</del> 17
	<del>2012</del> 2013	<del>19</del> 17	<del>0</del> 1	0	0	<del>2</del> 0	<del>0</del> 1	17
Missouri	<del>2011</del> 2010	23	0	0	0	0	<del>0</del> 1	<del>23</del> 22
	<del>2012</del> 2011	<del>23</del> 22	0	0	0	0	1	<del>22</del> 21
	<del>2012</del> 2013	<del>22</del> 21	<del>0</del> 1	0	<del>0</del> 1	0	<del>1</del> 0	21

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired By Franchisor	Ceased Operations -Other Reasons	Outlets at End of the Year
Montana	<del>2011</del> 2010	7	0	0	<del>0</del> 1	0	0	<del>7</del> 6
	2012 <del>2011</del>	<del>7</del> 6	0	0	<del>1</del> 0	0	0	6
	<del>2012</del> 2013	6	0	0	0	0	0	6
Nebraska	<del>2011</del> 2010	<del>10</del> 11	<del>1</del> 0	0	0	0	0	11
	2012 <del>2011</del>	11	0	0	0	0	0	11
	<del>2012</del> 2013	11	0	0	0	0	<del>0</del> 1	<del>11</del> 10
Nevada	<del>2011</del> 2010	<del>6</del> 7	<del>1</del> 0	<del>0</del> 1	0	0	<del>0</del> 1	<del>7</del> 5
	2012 <del>2011</del>	<del>7</del> 5	0	<del>1</del> 0	0	0	1	<del>5</del> 4
	<del>2012</del> 2013	<del>5</del> 4	0	0	0	0	<del>1</del> 0	4
New Hampshire	<del>2011</del> 2010	0	<del>0</del> 1	0	0	0	0	<del>0</del> 1
	2012 <del>2011</del>	<del>0</del> 1	1	0	0	0	0	<del>1</del> 2
	<del>2012</del> 2013	<del>1</del> 0	<del>1</del> 0	0	0	0	<del>0</del> 1	<del>2</del> 1
New Jersey	<del>2011</del> 2010	23	<del>4</del> 5	0	0	0	1	<del>23</del> 27
	2012 <del>2011</del>	<del>23</del> 27	<del>5</del> 1	0	0	0	<del>1</del> 0	<del>27</del> 28
	<del>2012</del> 2013	<del>27</del> 28	<del>4</del> 0	0	0	0	<del>0</del> 2	<del>28</del> 26
New Mexico	<del>2011</del> 2010	4	<del>0</del> 1	0	0	0	0	<del>4</del> 5
	2012 <del>2011</del>	<del>4</del> 5	1	0	0	0	0	<del>5</del> 6
	<del>2012</del> 2013	<del>5</del> 6	<del>1</del> 0	<del>0</del> 1	0	0	0	<del>6</del> 5
New York	<del>2011</del> 2010	<del>19</del> 22	4	0	0	0	<del>1</del> 0	<del>22</del> 26
	2012 <del>2011</del>	<del>22</del> 26	<del>4</del> 0	0	<del>0</del> 2	0	<del>0</del> 3	<del>26</del> 21
	<del>2012</del> 2013	<del>26</del> 21	<del>0</del> 1	<del>0</del> 1	<del>2</del> 0	0	<del>3</del> 1	<del>21</del> 20
North Carolina	<del>2011</del> 2010	<del>23</del> 25	<del>6</del> 3	0	0	0	<del>4</del> 0	<del>25</del> 28
	2012 <del>2011</del>	<del>25</del> 28	<del>3</del> 0	0	0	0	<del>0</del> 1	<del>28</del> 27
	<del>2012</del> 2013	<del>28</del> 27	0	0	0	0	1	<del>27</del> 26
North Dakota	<del>2011</del> 2010	<del>12</del> 11	0	0	0	0	<del>1</del> 0	11
	2012 <del>2011</del>	11	0	0	0	0	0	11
	<del>2012</del> 2013	11	0	0	0	0	<del>0</del> 1	<del>11</del> 10
Ohio	<del>2011</del> 2010	<del>23</del> 30	<del>7</del> 6	0	0	<del>0</del> 1	0	<del>30</del> 35
	2012 <del>2011</del>	<del>30</del> 35	<del>6</del> 1	0	0	<del>1</del> 2	<del>0</del> 3	<del>35</del> 31
	<del>2012</del> 2013	<del>35</del> 31	<del>1</del> 4	0	<del>0</del> 1	<del>2</del> 0	<del>3</del> 1	<del>31</del> 33
Oklahoma	<del>2011</del> 2010	<del>1</del> 2	<del>1</del> 0	0	0	0	0	2
	2012 <del>2011</del>	2	0	0	0	0	0	2
	<del>2012</del> 2013	2	0	0	0	0	0	2
Oregon	<del>2011</del> 2010	<del>13</del> 17	<del>4</del> 5	0	0	0	0	<del>17</del> 22
	2012 <del>2011</del>	<del>17</del> 22	<del>5</del> 3	0	0	<del>0</del> 4	0	<del>22</del> 21
	<del>2012</del> 2013	<del>22</del> 21	<del>3</del> 1	0	0	<del>4</del> 0	<del>0</del> 1	21
Pennsylvania	<del>2011</del> 2010	<del>32</del> 36	<del>5</del> 3	<del>0</del> 1	0	<del>1</del> 0	0	<del>36</del> 38
	2012 <del>2011</del>	<del>36</del> 38	3	<del>1</del> 0	0	0	<del>0</del> 1	<del>38</del> 40
	<del>2012</del> 2013	<del>38</del> 40	<del>3</del> 0	0	0	0	<del>1</del> 2	<del>40</del> 38
South Carolina	<del>2011</del> 2010	3	0	0	0	0	0	3
	2012 <del>2011</del>	3	0	0	0	0	0	3
	<del>2012</del> 2013	3	0	0	0	0	0	3
South Dakota	<del>2011</del> 2010	<del>6</del> 8	<del>2</del> 0	0	0	0	0	8
	2012 <del>2011</del>	8	0	0	0	0	0	8
	<del>2012</del> 2013	8	0	0	0	0	0	8
Tennessee	<del>2011</del> 2010	<del>18</del> 19	1	0	0	0	0	<del>19</del> 20
	2012 <del>2011</del>	<del>19</del> 20	<del>1</del> 2	0	0	<del>0</del> 1	0	<del>20</del> 21
	<del>2012</del> 2013	<del>20</del> 21	2	0	0	<del>1</del> 0	<del>0</del> 1	<del>21</del> 22

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired By Franchisor	Ceased Operations -Other Reasons	Outlets at End of the Year
Texas <del>(5)</del> (2)	<del>2011</del> 2010	<del>36</del> 40	<del>6</del> 4	<del>1</del> 2	0	<del>0</del> 1	<del>1</del> 0	<del>40</del> 41
	2012 <del>2011</del>	<del>40</del> 41	<del>4</del> 6	<del>2</del> 1	<del>0</del> 1	<del>1</del> 2	<del>0</del> 2	41
	<del>2012</del> 2013	41	6	1	<del>1</del> 2	<del>2</del> 3	2	<del>41</del> 39
Utah	<del>2011</del> 2010	8	0	0	0	0	0	8
	2012 <del>2011</del>	8	<del>0</del> 1	0	0	0	<del>0</del> 1	8
	<del>2012</del> 2013	8	<del>1</del> 0	0	0	0	<del>1</del> 0	8
Vermont	<del>2011</del> 2010	<del>3</del> 4	<del>1</del> 0	0	0	0	0	4
	2012 <del>2011</del>	4	0	0	0	0	0	4
	<del>2012</del> 2013	4	0	0	0	0	0	4
Virginia	<del>2011</del> 2010	<del>19</del> 21	<del>3</del> 1	0	0	0	<del>1</del> 0	<del>21</del> 22
	2012 <del>2011</del>	<del>21</del> 22	<del>4</del> 2	0	0	0	0	<del>22</del> 24
	<del>2012</del> 2013	<del>22</del> 24	<del>2</del> 1	0	0	0	0	<del>24</del> 25
Washington	<del>2011</del> 2010	<del>16</del> 17	<del>3</del> 4	<del>1</del> 0	0	0	<del>1</del> 0	<del>17</del> 21
	2012 <del>2011</del>	<del>17</del> 21	<del>4</del> 0	0	0	0	<del>0</del> 1	<del>21</del> 20
	<del>2012</del> 2013	<del>21</del> 20	<del>0</del> 3	0	0	0	<del>1</del> 0	<del>20</del> 23
Wisconsin	<del>2011</del> 2010	<del>108</del> 105	<del>30</del>	<del>5</del> 1	0	<del>0</del> 2	1	<del>105</del> 101
	2012 <del>2011</del>	<del>105</del> 101	0	<del>1</del> 0	<del>0</del> 4	<del>2</del> 0	<del>1</del> 4	<del>101</del> 94
	<del>2012</del> 2013	<del>101</del> 94	0	<del>0</del> 1	<del>4</del> 5	0	<del>4</del> 5	<del>94</del> 83
West Virginia	<del>2011</del> 2010	0	<del>0</del> 1	0	0	0	0	<del>0</del> 1
	2012 <del>2011</del>	<del>0</del> 1	1	0	0	0	0	<del>1</del> 2
	<del>2012</del> 2013	<del>1</del> 2	<del>1</del> 0	0	0	0	0	2
Wyoming	<del>2011</del> 2010	2	0	0	0	0	0	2
	2012 <del>2011</del>	2	0	0	0	0	0	2
	<del>2012</del> 2013	2	0	0	0	0	0	2
Total	<del>2011</del> 2010	<del>945</del> 998	<del>100</del> 72	<del>13</del> 14	<del>0</del> 2	<del>28</del>	<del>31</del> 16	<del>998</del> 1030
	2012 <del>2011</del>	<del>998</del> 1030	<del>72</del> 38	<del>14</del> 3	<del>2</del> 18	<del>8</del> 26	<del>16</del> 38	<del>1030</del> 986
	<del>2012</del> 2013	<del>1030</del> 986	<del>38</del> 32	<del>3</del> 7	<del>18</del> 19	<del>26</del> 5	<del>38</del> 33	<del>986</del> 953

Notes:

(1) In 2012, one club in Georgia was opened by a franchisee and was later reacquired by franchisor.

~~(2) In 2010, one club in Illinois closed, the franchise agreement was terminated and a new franchisee opened in the same location.~~

~~(3) In 2010, one club in Michigan closed, the franchise agreement was terminated and a new franchisee opened in the same location.~~

~~(4) In 2010, one club in Minnesota was reacquired from a franchisee and subsequently sold to another franchisee.~~

~~(5)~~(2) In 2011, the franchise agreement for one club in Texas was terminated and a former owner opened in the same location.



**Table No. 4**  
**Status of Company-Owned Outlets**  
**for Years ~~2010~~2011 to ~~2012~~2013**

State	Year	Outlets at Start of Year	Outlets Opened	Reacquired From Franchisees	Outlets Closed	Outlets Sold to Franchisees	Outlets at End of the Year
Alabama	<del>2011</del> 2010	<u>47</u>	<u>30</u>	0	0	0	7
	<del>2012</del> 2011	7	0	0	0	0	7
	<del>2012</del> 2013	7	<u>04</u>	0	<u>01</u>	0	<u>710</u>
Arizona	<del>2011</del> 2010	0	0	0	0	0	0
	<del>2012</del> 2011	0	<u>01</u>	<u>02</u>	0	0	<u>03</u>
	<del>2012</del> 2013	<u>03</u>	1	<u>20</u>	0	0	<u>34</u>
Arkansas	<del>2011</del> 2010	0	<u>02</u>	0	0	0	<u>02</u>
	<del>2011</del>	<u>0</u>	<u>2</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2</u>
	2012	0	0	0	0	0	2
	<u>2013</u>	<u>2</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>3</u>
California	<del>2011</del> 2010	0	0	0	0	0	0
	<del>2011</del>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
	2012	0	0	3	0	0	3
	<u>2013</u>	<u>3</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>3</u>
Colorado	<del>2011</del> 2010	0	0	0	0	0	<u>0</u>
	<del>2011</del>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
	2012	0	2	1	0	0	3
	<u>2013</u>	<u>3</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>3</u>
Connecticut	<del>2011</del> 2010	<u>03</u>	<u>31</u>	0	0	0	<u>34</u>
	<del>2011</del>	<u>3</u>	<u>4</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>4</u>
	2012	4	0	4	0	0	8
<del>Florida</del>	<del>2010</del> 2013	<u>08</u>	0	0	0	0	<u>08</u>
<u>Florida</u>	2011	0	0	1	0	0	1
	2012	1	0	0	0	0	1
	<u>2013</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1</u>
Georgia	<del>2011</del> 2010	0	0	0	0	0	<u>0</u>
	<del>2011</del>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
	2012	0	3	0	0	0	3
<del>Iowa</del>	<del>2010</del> 2013	<u>04</u>	0	0	0	0	<u>04</u>
<u>Iowa</u>	2011	0	0	0	0	0	0
	2012	0	1	0	0	0	1
	<u>2013</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1</u>
Illinois	<del>2011</del> 2010	0	0	0	0	0	0
	<del>2011</del>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
	2012	0	1	0	0	0	1
<del>Kentucky</del>	<del>2010</del> 2013	<u>01</u>	1	0	0	0	<u>42</u>
<u>Kentucky</u>	2011	1	2	0	0	0	3
	2012	3	1	0	0	1	3
	<u>2013</u>	<u>3</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>4</u>
Louisiana	<del>2011</del> 2010	3	0	0	0	0	3
	<u>2012</u>	<u>3</u>	<u>0</u>	<u>2</u>	<u>0</u>	<u>0</u>	<u>5</u>

State	Year	Outlets at Start of Year	Outlets Opened	Reacquired From Franchisees	Outlets Closed	Outlets Sold to Franchisees	Outlets at End of the Year
	<u>2013</u>	<u>5</u>	<u>0</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>6</u>
<u>Maryland</u>	2011	<u>30</u>	0	0	0	0	<u>30</u>
	2012	<u>30</u>	0	<u>20</u>	0	0	<u>50</u>
	<u>2013</u>	<u>0</u>	<u>0</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>1</u>
Michigan	<del>2011</del> 2010	0	0	0	0	0	0
	<del>2011</del>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
	2012	0	2	1	0	0	3
	<u>2013</u>	<u>3</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>3</u>
Minnesota (Note 1)	<del>2011</del> 2010	<u>45</u>	0	<u>12</u>	0	1	<u>56</u>
	<del>2011</del>	<u>5</u>	<u>0</u>	<u>2</u>	<u>0</u>	<u>1</u>	<u>6</u>
	2012	6	0	2	0	1	7
	<u>2013</u>	<u>7</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>8</u>
Mississippi	<del>2011</del> 2010	0	0	<u>01</u>	0	0	<u>01</u>
	<del>2011</del>	<u>0</u>	<u>0</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>1</u>
	2012	1	1	2	0	0	4
	<u>2013</u>	<u>4</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>5</u>
New Mexico	<del>2011</del> 2010	0	<u>01</u>	0	0	0	<u>01</u>
	<del>2011</del>	<u>0</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1</u>
	2012	1	3	0	0	0	4
<del>Ohio</del>	<del>2010</del> 2013	<u>14</u>	0	0	0	0	<u>14</u>
<u>Ohio</u>	2011	1	3	1	0	0	5
	2012	5	3	2	0	0	10
	<u>2013</u>	<u>10</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>10</u>
Oklahoma	<del>2011</del> 2010	0	<u>02</u>	0	0	0	<u>01</u>
	<del>2011</del>	<u>0</u>	<u>2</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1</u>
	2012	1	2	0	0	0	3
	<u>2013</u>	<u>3</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>4</u>
Pennsylvania	<del>2011</del> 2010	<u>45</u>	<u>02</u>	<u>10</u>	0	0	<u>57</u>
	<del>2011</del>	<u>5</u>	<u>2</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>7</u>
	2012	7	1	0	0	0	8
	<u>2013</u>	<u>8</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>9</u>
Oregon	<del>2011</del> 2010	0	0	0	0	0	0
	<del>2011</del>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
	2012	0	0	4	0	0	4
	<u>2013</u>	<u>4</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>4</u>
Tennessee	<del>2010</del> 2011	0	0	0	0	0	0
	<del>2011</del>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
	2012	0	0	1	0	0	1
<del>Texas</del>	<del>2010</del> 2013	<u>01</u>	<u>21</u>	0	0	0	2
<u>Texas</u>	2011	2	9	1	0	0	12
	2012	12	3	2	0	0	17
	<u>2013</u>	<u>17</u>	<u>7</u>	<u>3</u>	<u>0</u>	<u>0</u>	<u>27</u>
Wisconsin	<del>2010</del> 2011	0	0	<u>02</u>	0	0	<u>02</u>
	<del>2011</del>	<u>0</u>	<u>0</u>	<u>2</u>	<u>0</u>	<u>0</u>	<u>2</u>
	2012	2	0	0	0	1	1
	<del>2010</del> 2013	<u>161</u>	<u>90</u>	<u>20</u>	0	<u>10</u>	<u>271</u>

State	Year	Outlets at Start of Year	Outlets Opened	Reacquired From Franchisees	Outlets Closed	Outlets Sold to Franchisees	Outlets at End of the Year
<del>Total</del>							
<del>Total</del>	2011	27	21	8	0	1	55
	2012	55	24	26	0	3	102
	<u>2013</u>	<u>102</u>	<u>21</u>	<u>5</u>	<u>1</u>	<u>0</u>	<u>127</u>

~~Note 1: In 2010, one location in Minnesota was purchased from one franchisee and subsequently sold to another franchisee.~~

**Table No. 5**  
**Projected Openings for Upcoming Fiscal Year as of 12/31/~~2012~~2013**

State	Franchise Agreements Signed But Outlet Not Opened (Note 1)	Projected New Franchised Outlets in The Next Fiscal Year	Projected New Company-Owned Outlets in the Current Fiscal Year
Alabama	1	<del>0</del> 1	<del>2</del> 0
Alaska	0	0	0
Arizona	<del>6</del> 1	<del>2</del> 1	0
Arkansas	<del>3</del> 2	<del>0</del> 1	<del>4</del> 0
California	<del>19</del> 6	<del>0</del> 4	0
Colorado	<del>5</del> 0	<del>0</del> 1	0
Connecticut	<del>9</del> 3	0	0
Delaware	0	0	0
District of Columbia	1	0	0
Florida	<del>24</del> 9	<del>2</del> 4	<del>4</del> 0
Georgia	<del>8</del> 2	1	<del>4</del> 0
Hawaii	0	0	0
Idaho	<del>3</del> 2	<del>0</del> 1	0
Illinois	<del>10</del> 5	<del>4</del> 2	<del>4</del> 0
Indiana	<del>3</del> 2	0	0
Iowa	<del>10</del> 3	<del>3</del> 2	0
Kansas	<del>2</del> 0	<del>4</del> 0	0
Kentucky	<del>6</del> 4	<del>0</del> 2	<del>4</del> 0
Louisiana	<del>6</del> 5	<del>4</del> 4	0
Maine	0	<del>0</del> 1	0

State	Franchise Agreements Signed But Outlet Not Opened (Note 1)	Projected New Franchised Outlets in The Next Fiscal Year	Projected New Company-Owned Outlets in the Current Fiscal Year
Maryland	<del>31</del>	0	0
Massachusetts	2	1	0
Michigan	<del>348</del>	<del>53</del>	0
Minnesota	<del>134</del>	<del>12</del>	<del>10</del>
Mississippi	<del>84</del>	<del>12</del>	<del>10</del>
Missouri	<del>32</del>	<del>01</del>	0
Montana	<del>30</del>	<del>01</del>	0
Nebraska	1	1	0
Nevada	1	0	0
New Hampshire	0	0	0
New Jersey	<del>72</del>	1	0
New Mexico	<del>01</del>	<del>02</del>	<del>10</del>
New York	<del>142</del>	1	0
North Carolina	<del>165</del>	<del>12</del>	0
North Dakota	<del>41</del>	<del>10</del>	0
Ohio	<del>124</del>	<del>12</del>	0
Oklahoma	0	0	<del>10</del>
Oregon	<del>63</del>	<del>13</del>	0
Pennsylvania	<del>1710</del>	<del>24</del>	<del>10</del>
Rhode Island	0	0	0
South Carolina	<del>21</del>	0	0
South Dakota	0	0	0
Tennessee	<del>74</del>	<del>20</del>	<del>10</del>
Texas	<del>277</del>	<del>35</del>	<del>30</del>
Utah	<del>41</del>	0	0
Vermont	<del>01</del>	<del>02</del>	0
Virginia	<del>96</del>	<del>12</del>	0
Washington	<del>72</del>	<del>03</del>	0
West Virginia	<del>52</del>	1	0
Wisconsin	<del>62</del>	1	0
Wyoming	2	0	0

State	Franchise Agreements Signed But Outlet Not Opened (Note 1)	Projected New Franchised Outlets in The Next Fiscal Year	Projected New Company-Owned Outlets in the Current Fiscal Year
Total	326158	3665	460

Note 1: In ~~2012, 250~~2013, 206 franchise agreements expired before opening a club.

Attached at Exhibit D is a list of SNAP FITNESS® Clubs open as of December 31, ~~2012 and as of November 30, 2013~~, and a list of franchisees who are in the process of opening Clubs. Exhibit D also includes a list of franchisees who have left the system within the last fiscal year ~~and during the period from January 1, 2013 to November 30, 2013~~, or who have not communicated with us within 10 weeks of this Disclosure Document. If you buy this franchise, your contact information may be disclosed to other potential franchisees of Snap Fitness when you leave the Snap Fitness system.

In some instances, current and former franchisees sign confidentiality provisions restricting their ability to speak openly about their experience with us. You may wish to speak with current and former franchisees, but be aware that not all such franchisees will be able to communicate with you.

Except for the franchisee advisory committee and local advertising cooperatives listed below, we have not created, sponsored or endorsed any franchisee association, and we are not aware of any independent trademark-specific franchisee associations in existence for the system.

As of December 31, ~~2012~~2013, the local advertising cooperatives including the following:

- SF MSP Marketing Group, Inc., local advertising cooperative for the Minneapolis-St. Paul, MN DMA;
- SF Des Moines Marketing Group, Inc., local advertising cooperative for the Des-Moines-Ames, IA DMA;
- SF Fargo-Grand Forks Marketing Group, Inc., local advertising cooperative for the Fargo, ND and Grand Forks, MN DMA;
- SF Erie Marketing Group, Inc., local advertising cooperative for the Erie, PA DMA;
- SF Milwaukee Marketing Group, Inc., local advertising cooperative for the Milwaukee, WI DMA;
- SF GR-K-BC Marketing Group, Inc., local advertising cooperative for the Grand Rapids, Kalamazoo and Battle Creek, MI DMA;
- SF New Orleans Marketing Group, Inc., local advertising cooperative for the New Orleans, LA DMA;
- SF Baton Rouge Marketing Group, Inc., local advertising cooperative for the Baton Rouge, LA DMA;
- SF Acadiana Marketing Group, Inc., local advertising cooperative for the Acadiana (Lafayette, LA) DMA;
- SF Lansing Marketing Group, Inc., local advertising cooperative for the Lansing, MI DMA;
- SF LC-EC Marketing Group, Inc., local advertising cooperative for the Lacrosse and Eau Claire, WI DMA;
- SF Madison Marketing Group, Inc., local advertising cooperative for the Lansing, MI DMA;
- SF Spokane Marketing Group, Inc., local advertising cooperative for the Spokane, WA DMA; ~~and~~
- SF Wausau Marketing Group, Inc., local advertising cooperative for the Wausau and Rhinelander, WI DMA; ~~and~~

- SF Birmingham Marketing Group, Inc., local advertising cooperative for the Birmingham, AL DMA.

As noted in Item 11, we anticipate creating additional local advertising cooperatives in 2014~~2013~~.

## **ITEM 21 FINANCIAL STATEMENTS**

Attached as Exhibit B are:

~~(1) the unaudited consolidated balance sheets of Snap Fitness, Inc. and subsidiaries as of October 31, 2013, and the related consolidated statement of operations for the period from January 1, 2013 to October 31, 2013. THESE FINANCIAL STATEMENTS ARE PREPARED WITHOUT AN AUDIT. PROSPECTIVE FRANCHISEES OR SELLERS OF FRANCHISES SHOULD BE ADVISED THAT NO CERTIFIED PUBLIC ACCOUNTANT HAS AUDITED THESE FIGURES OR EXPRESSED HIS/HER OPINION WITH REGARD TO THE CONTENT OR FORM;~~

(2)(1) the audited consolidated balance sheets of Snap Fitness, Inc. and subsidiaries as of December 31, ~~2012~~2013 and ~~2012~~2011, and the related consolidated statements of earnings, comprehensive income, stockholders' equity and cash flows for the years then ended; and

~~(3)~~(2) the audited consolidated balance sheets of Snap Fitness, Inc. and subsidiaries as of December 31, ~~2012~~2011 and ~~2010~~2011, and the related consolidated statements of earnings, stockholders' equity and comprehensive income and cash flows for the years then ended.

## **ITEM 22 CONTRACTS**

This Disclosure Document includes a sample of the following contracts:

- Exhibit C - Franchise Agreement and State Specific Addenda
- Exhibit F - Sample Membership Agreement
- Exhibit G - Sample Form of Release Document
- Exhibit H - Sample Financing Documents
- Exhibit I - Sample Franchise Agreement Addenda
- Exhibit J - Sample Fitness on Demand and MyZone Agreements

## **ITEM 23 RECEIPTS**

Attached to this Disclosure Document in Exhibit K are two detachable acknowledgments of receipt.

## STATE APPENDIX TO DISCLOSURE DOCUMENT

### ***FOR THE STATE OF CALIFORNIA***

THE CALIFORNIA FRANCHISE INVESTMENT LAW REQUIRES THAT A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE BE DELIVERED TOGETHER WITH THE DISCLOSURE DOCUMENT.

Item 17 of the Disclosure Document is supplemented by the following:

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.

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

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

The Franchise Agreement requires binding arbitration. The arbitration will occur at Minneapolis, Minnesota. This provision may not be enforceable under California law.

The Franchise Agreement requires application of the laws of Minnesota. This provision may not be enforceable under California law.

Our website can be found at [www.snapfitness.com](http://www.snapfitness.com). OUR WEBSITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF BUSINESS OVERSIGHT. ANY COMPLAINTS CONCERNING THE CONTENT OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF BUSINESS OVERSIGHT AT [www.dbo.ca.gov](http://www.dbo.ca.gov).

### ***FOR THE STATE OF ILLINOIS***

The Illinois Franchise Disclosure Act and the Rules and Regulations promulgated thereunder dictate that “any provision in the Franchise Agreement which designates jurisdiction or venue in a forum outside of this State is void with respect to any cause of action which otherwise is enforceable in this State, provided that a Franchise Agreement may provide for arbitration in a forum outside of this State.”

Nothing in the Franchise Disclosure Document or the Franchise Agreement (or the attachments thereto) may require franchisees covered by the Illinois Franchise Disclosure Act to waive compliance with Illinois law. Any provision in the Franchise Agreement (including but not limited to any choice of law provision) that may be read as calling for application of a state law other than Illinois law is hereby deleted and franchisees covered by the Illinois Franchise Disclosure Act are entitled to the protections of Illinois law, notwithstanding any such provision.

Item 1 of the Disclosure Document is supplemented by the following paragraphs:

The Illinois Physical Fitness Facility Medical Emergency Preparedness Act requires that a physical fitness facility (which excludes any facility serving less than 100 individuals or that does not employ any persons to provide instruction, training, or assistance for persons using the facility) have at least one automated external defibrillator (AED) and ensure that there is a trained AED user on staff and present during all staffed hours. Other provisions apply. See 815 ILCS 74 *et seq.*



The Illinois Dance Studio Act (which applies to any person or business entity which contract with members of the general public to provide dance studio services, including instruction, training or assistance in dancing, the use of studio facilities, membership in any group formed by a dance studio, and participation in dance competitions or showcases) requires that every contract for dance studio services be in writing and its contents must conform to the Act's requirements. The Act provides for contract execution, cancellation and refund. Other provisions apply. See 815 ILCS 610 *et seq.*

Compliance with these requirements may cause you to incur additional expenses.

#### **FOR THE STATE OF MARYLAND**

Item 17 of the Disclosure Document is supplemented by the following:

- (a) Any release or waiver provision contained in the Franchise Agreement or any release required as a condition of the sale, renewal, and/or assignment/transfer of the franchise shall not apply to any liability incurred under the Maryland Franchise Registration and Disclosure Law (the "Maryland Franchise Law").
- (b) Any claims arising under the Maryland Franchise Law must be brought within three years after the grant of the franchise;
- (c) Subject to your arbitration obligations, any provision in the Franchise Agreement requiring litigation in a forum outside the State of Maryland will not limit any rights you may have under the Maryland Franchise Law to bring suit in the State of Maryland.

#### **FOR THE STATE OF MINNESOTA**

Item 13 of the Disclosure Document is supplemented by the following:

The franchisor will protect the franchisee's rights to use the trademarks, service marks, trade names, logotypes or other commercial symbols ("Marks") or indemnify the franchisee from any loss, costs or expenses arising out of any claim, suit or demand regarding the use of the name.

As required by the Minnesota Franchise Act, Minn. Stat. Sec. 80C.12(g), we will reimburse you for any costs incurred that you incur in the defense of your right to use the Marks, so long as you were using the Marks in the manner that we authorized, and so long as we are timely notified of the claim and given the right to manage the defense of the claim including the right to compromise, settle or otherwise resolve the claim, and to determine whether to appeal a final determination of the claim.

Item 17 of the Disclosure Document is supplemented by the following:

With respect to franchises governed by Minnesota law, we will comply with Minn. Stat. Sec. 80C.14, Subds. 3, 4 and 5 which require, except in certain specified cases, that (1) a franchisee be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of the Agreement and (2) that consent to the transfer of the franchise will not be unreasonably withheld.

Item 17 does not provide for a prospective general release of any claims against us which may be subject to the Minnesota Franchise Law. Minn. Rule 2860.4400D prohibits a franchisor from requiring a franchisee to assent to a general release.

Minn. Stat. Sec. 80C.21 and Minn. Rule 2860.4400J prohibit us from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring the franchisee to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the Franchise Disclosure Document or agreement(s) can abrogate or reduce (1) any of your rights as provided for in Minnesota Statutes, Chapter 80C, or (2) your rights to any procedure, forum or remedies provided for by the laws of the jurisdiction. Minn. Rules 2860.4400J states that you cannot consent to us obtaining injunctive relief. However, we may seek injunctive relief and a court will determine if a bond is required.

Minn. Statutes, Section 80C.17, Subd. 5, provides that no action may be commenced thereunder more than 3 years after the cause of action accrues.

### **FOR THE STATE OF NEW YORK**

Item 3 of the Disclosure Document is supplemented by the following:

None of the persons identified in Item 2:

Has had an administrative, criminal or civil action pending against that person alleging: a felony; a violation of a franchise, antitrust or securities law; fraud, embezzlement, fraudulent conversion, misappropriation of property; unfair or deceptive practices or comparable civil or misdemeanor allegations including pending actions, other than routine litigation incidental to the business, which are significant in the context of the number of franchisees and the size, nature or financial condition of the franchise system or its business operations.

Has been convicted of a felony or pleaded *nolo contendere* to a felony charge or, within the ten-year period immediately preceding the application for registration, has been convicted of or pleaded *nolo contendere* to a misdemeanor charge or has been the subject of a civil action alleging: violation of a franchise, antifraud or securities law; fraud, embezzlement, fraudulent conversion or misappropriation of property, or unfair or deceptive practices or comparable allegations.

Is subject to a currently effective injunctive or restrictive order or decree relating to the franchise, or under a federal, State or Canadian franchise, securities, antitrust, trade regulation or trade practice law, resulting from a concluded or pending action or proceeding brought by a public agency; or is subject to any currently effective order or any national securities association or national securities exchange, as defined in the Securities and Exchange Act of 1934, suspending or expelling such person from membership in such association or exchange; or is subject to a currently effective injunctive or restrictive order relating to any other business activity as a result of an action brought by a public agency or department, including, without limitation, actions affecting a license as a real estate broker or sales agent.

Item 4 of the Disclosure Document is supplemented by the following:

Neither the franchisor nor its affiliate, its predecessor, officers, or general partner during the 10-year period immediately before the date of this Disclosure Document has a) filed as a debtor or had filed against it a petition to start an action under the U.S. Bankruptcy Code; b) obtained a discharge of its debts under the bankruptcy code; or c) was a principal officer of a company or a general partner in a partnership that either filed as a debtor (or filed against it) a petition to start an action under the U.S. Bankruptcy Code or during or within one year after the officer or general partner of the franchisor held this position in the company or partnership.

### ***FOR THE STATE OF NORTH DAKOTA***

1. The State of North Dakota has determined that the following types of provisions are deemed to be contrary to North Dakota law:

- (a) A provision requiring a North Dakota franchisee to sign a general release upon renewal of the Franchise Agreement;
- (b) A provision requiring a North Dakota franchisee to consent to termination penalties or liquidated damages;
- (c) A provision requiring a North Dakota franchisee to consent to the jurisdiction of courts outside the state of North Dakota;
- (d) A provision restricting the time in which a North Dakota franchisee may make a claim to less than the applicable North Dakota statute of limitations;
- (e) A provision calling for the waiver by a North Dakota franchisee of the right to trial by jury;
- (f) A provision requiring a North Dakota franchisee to consent to a waiver of exemplary and punitive damages.

Any and all provisions in the Franchise Agreement that are in violation of Paragraphs 1 (a-f) are deleted.

2. North Dakota Century Code Section 9-08-06 subjects covenants not to compete to the provisions of that statute. The covenants not to compete contained within the Franchise Agreement are subject to Section 9-08-06 and may be unenforceable under North Dakota law.

3. The site of any mediation or arbitration of the parties' disputes shall be at a site mutually agreeable to all parties. If all parties cannot agree upon a location, the arbitration or mediation shall be Fargo, North Dakota.

### ***FOR THE STATE OF RHODE ISLAND***

Section 19-28.1-14 of the Rhode Island Franchise Act provides that "A provision in a Franchise Agreement restricting jurisdiction or venue to a forum outside this state or requiring application of the laws of another state is void with respect to a claim otherwise enforceable under this Act."

### ***FOR THE COMMONWEALTH OF VIRGINIA***

Item 1 of the Disclosure Document is supplemented by the following:

Health spas in Virginia are regulated by the Department of Agriculture, Office of Consumer Affairs who can be reached at (804)786-1343.

Item 17 of the Franchise Disclosure Document is amended as follows:

In recognition of the restrictions contained in Section 13.1-564 of the Virginia Retail Franchising Act, Item 17.h. of the Franchise Disclosure Document for 9Round Franchising, LLC, is supplemented by the following:

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

***FOR THE STATE OF WASHINGTON***

The state of Washington has a statute, RCW 19.100.180 which 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 involving a franchise purchased in Washington, the arbitration site shall be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration, or as determined by the arbitrator.

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

A release or waiver of rights executed by a franchisee shall not include rights under the Washington Franchise Investment Protection Act except when executed pursuant to a negotiated settlement after the agreement is in effect and where 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, 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.

***FOR THE STATE OF WISCONSIN***

Item 17 of the Disclosure Document is supplemented by the following:

For franchisees subject to the Wisconsin Fair Dealership Law, Ch. 135, Stats., provisions in the Fair Dealership Law supersede any inconsistent provisions of the Franchise Agreement or a related contract.

***EXHIBIT A***  
**LIST OF STATE ADMINISTRATORS**  
**LIST OF AGENTS FOR SERVICE OF PROCESS**

## ***LIST OF STATE ADMINISTRATORS***

### **California**

Department of Business Oversight  
320 West 4th Street, Suite 750  
Los Angeles, California 90013  
(213) 576-7500

### **Hawaii**

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

### **Illinois**

Office of Attorney General  
500 S. Second Street  
Springfield, Illinois 62706  
(217) 782-4465

### **Indiana**

Franchise Section, Securities Division  
302 W. Washington St., Room E-111  
Indianapolis, Indiana 46204  
(317) 232-6681

### **Maryland**

Office of Attorney General  
Securities Division  
200 St. Paul Place  
Baltimore, Maryland 21202  
(410) 576-7042

### **Michigan**

Department of Attorney General  
Consumer Protection Division  
Atten: Franchise Section  
525 W. Ottawa Street  
G. Mennen Williams Bldg., 1<sup>st</sup> Floor  
Lansing, Michigan 48913  
(517) 373-7117

### **Minnesota**

Department of Commerce  
85 7<sup>th</sup> Place East, Suite 500  
St. Paul, Minnesota 55101-2198  
(651) 296-4026

### **New York**

Bureau of Investor Protection and Securities  
120 Broadway, 23rd Floor  
New York, New York 10271  
(212) 416-8211

### **North Dakota**

Office of Securities Commissioner  
600 East Blvd. Avenue  
State Capitol, Fifth Floor Dept 414  
Bismarck, North Dakota 58505  
(701) 328-4712

### **Oregon**

Division of Consumer and Business Services  
350 Winter St. N.E. Labor & Industries Bldg, Rm 21  
Salem, Oregon 97310  
(503) 378-4387

### **Rhode Island**

Securities Division  
1511 Pontiac Avenue, Bldg 69-1  
Cranston, Rhode Island 02920  
(401) 222-3048

### **South Dakota**

Department of Labor and Regulation  
Division of Securities  
445 E. Capitol Ave.  
Pierre, South Dakota 57501  
(605) 773-4823

### **Virginia**

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

### **Washington**

Department of Financial Institutions, Securities Div.  
150 Israel Road, S.W.  
Tumwater, Washington 98501  
(360) 902-8760

### **Wisconsin**

Division of Securities  
Department of Financial Institutions  
345 W. Washington, 4th Floor  
Madison, Wisconsin 53703  
(608) 266-8559

***LIST OF AGENTS FOR SERVICE OF PROCESS***

**California**

Commissioner of Business Oversight  
320 West 4th Street, Suite 750  
Los Angeles, California 90013

**Hawaii**

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

**Illinois**

Illinois Attorney General  
500 South Second Street  
Springfield, Illinois 62706

**Indiana**

Indiana Secretary of State  
302 W. Washington St., Room E-111  
Indianapolis, Indiana 46204

**Maryland**

Maryland Securities Commissioner  
Office of the Attorney General  
200 St. Paul Place  
Baltimore, Maryland 21202-2020

**Michigan**

Michigan Department of Attorney General  
Consumer Protection Division  
Franchise Unit  
525 W. Ottawa Street  
G. Mennen Williams Bldg., 1<sup>st</sup> Floor  
Lansing, Michigan 48913

**Minnesota**

Commissioner of Commerce  
85 7<sup>th</sup> Place East, Suite 500  
St. Paul, Minnesota 55101-2198

**New York**

Secretary of State of The State of New York  
41 State Street  
Albany, New York 11231

**North Dakota**

Securities Commissioner  
600 East Boulevard Avenue  
State Capitol, Fifth Floor Dept 414  
Bismarck, North Dakota 58507

**Oregon**

Director  
Department of Consumer and Business Services  
Division of Finance and Corporate Securities  
Labor and Industries Building  
Salem, Oregon 97310

**Rhode Island**

Director of Department of Business Regulation  
Suite 232  
233 Richmond Street  
Providence, Rhode Island 02903-4232

**South Dakota**

Director  
Division of Securities  
445 East Capitol Avenue  
Pierre, South Dakota 57501-5750

**Virginia**

Clerk of the State Corporation Commission  
1300 East Main Street  
Richmond, Virginia 23219

**Washington**

Director of Financial Institutions  
Securities Division  
150 Israel Road, S.W.  
Tumwater, Washington 98501

**Wisconsin**

Commissioner of Securities  
Fourth Floor  
345 West Washington Street, 4<sup>th</sup> Floor  
Madison, Wisconsin 53703



***EXHIBIT B***  
**FINANCIAL STATEMENTS**



Consolidated Financial Statements and Report of  
Independent Certified Public Accountants

**Snap Fitness, Inc. and Subsidiaries**

December 31, 2013 and 2012

# Contents

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# Grant Thornton

## **Report of Independent Certified Public Accountants**

Board of Directors  
Snap Fitness, Inc.

**Grant Thornton LLP**  
200 S 6th Street, Suite 500  
Minneapolis, MN 55402-1459  
T 612.332.0001  
F 612.332.8361  
[www.GrantThornton.com](http://www.GrantThornton.com)

We have audited the accompanying consolidated financial statements of Snap Fitness, Inc. (a Minnesota Corporation) and subsidiaries (the “Company”), which comprise the consolidated balance sheets as of December 31, 2013 and 2012, and the related consolidated statements of earnings, comprehensive income, stockholders’ equity, and cash flows for the years then ended, and the related notes to the financial statements.

### **Management’s responsibility for the financial statements**

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

### **Auditor’s responsibility**

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity’s preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity’s internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion**

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Snap Fitness, Inc. and subsidiaries as of December 31, 2013 and 2012, and the results of their operations and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

GRANT THORNTON LLP

Minneapolis, Minnesota

March 27, 2014

## **CONSOLIDATED FINANCIAL STATEMENTS**

**Snap Fitness, Inc. and Subsidiaries**

**CONSOLIDATED BALANCE SHEETS**

**December 31, 2013 and 2012**

ASSETS	2013	2012
	<hr/>	<hr/>
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 2,836,000	\$ 13,388,000
Financing receivables, net	532,000	304,000
Accounts receivable:		
Franchise, net	2,461,000	1,760,000
Reinsurance premium receivable	183,000	160,000
Co-op rebate	681,000	415,000
Related parties	4,000	4,000
Other	699,000	541,000
Inventories	3,223,000	2,273,000
Prepaid expenses	938,000	1,246,000
Note receivable	-	91,000
Income tax receivable	2,250,000	-
Deferred income taxes	1,114,000	416,000
	<hr/>	<hr/>
Total current assets	14,921,000	20,598,000
 <b>PROPERTY AND EQUIPMENT – AT COST</b>		
Equipment and leasehold improvements	39,734,000	26,211,000
Equipment under construction	-	13,000
Software development costs	2,740,000	1,699,000
	<hr/>	<hr/>
	42,474,000	27,923,000
Less accumulated depreciation	(15,012,000)	(7,843,000)
	<hr/>	<hr/>
	27,462,000	20,080,000
 <b>OTHER ASSETS</b>		
Financing receivables, net of current portion	1,527,000	796,000
Goodwill	5,855,000	4,973,000
Intangibles, net	1,327,000	-
Reacquired franchise rights, net	11,945,000	4,562,000
Restricted cash	1,855,000	1,966,000
Equity method investments	1,045,000	514,000
Loan origination fees, net	15,000	83,000
Note receivable, net of current portion	-	189,000
Deposits	397,000	-
	<hr/>	<hr/>
	23,966,000	13,083,000
	<hr/>	<hr/>
	\$ 66,349,000	\$ 53,761,000
	<hr/>	<hr/>

The accompanying notes are an integral part of these consolidated financial statements.



Snap Fitness, Inc. and Subsidiaries

CONSOLIDATED BALANCE SHEETS – CONTINUED

December 31, 2013 and 2012

LIABILITIES AND STOCKHOLDERS' EQUITY	2013	2012
CURRENT LIABILITIES		
Accounts payable	\$ 1,877,000	\$ 1,651,000
Accrued expenses	6,047,000	4,633,000
Deferred franchise fees	1,047,000	1,450,000
Deferred member sessions	1,938,000	-
Customer deposits	326,000	333,000
Income taxes payable	-	626,000
Line of credit	-	8,000
Current portion of capital lease obligations	134,000	87,000
Current portion of equipment notes payable	2,915,000	2,249,000
Current portion of term note payable	-	1,320,000
Current portion of note payable to stockholder	-	112,000
Note payable - joint venture buyout	-	1,800,000
Total current liabilities	14,284,000	14,269,000
CAPITAL LEASE OBLIGATIONS, less current portion	148,000	-
EQUIPMENT NOTES PAYABLE, less current portion	4,231,000	4,916,000
TERM NOTE PAYABLE, less current portion	-	5,260,000
NOTE PAYABLE TO STOCKHOLDER, less current portion	-	1,472,000
DUE TO PARENT	14,577,000	-
DEFERRED INCOME TAXES	3,275,000	2,142,000
Total liabilities	36,515,000	28,059,000
COMMITMENTS AND CONTINGENCIES (NOTE I)		
STOCKHOLDERS' EQUITY		
Series A preferred stock – 100,000,000 shares of no par value authorized; 40,800,000 shares issued and outstanding as of December 31, 2013 and 2012	-	-
Common stock – authorized 400,000,000 shares of no par value and 1,000,000 shares of \$.01 par value as of December 31, 2013 and 2012; 61,200,000 shares of no par value issued and outstanding as of December 31, 2013 and 2012	-	-
Additional paid-in capital	997,000	931,000
Retained earnings	30,063,000	24,910,000
Accumulated other comprehensive loss	(1,074,000)	(139,000)
Total Snap Fitness, Inc. stockholders' equity	29,986,000	25,702,000
Non-controlling interest	(152,000)	-
Total equity	29,834,000	25,702,000
	<u>\$ 66,349,000</u>	<u>\$ 53,761,000</u>

The accompanying notes are an integral part of these consolidated financial statements.

Snap Fitness, Inc. and Subsidiaries

CONSOLIDATED STATEMENTS OF EARNINGS

Years ended December 31, 2013 and 2012

	2013	2012
Revenues, net		
Corporate fitness clubs	\$ 24,951,000	\$ 14,103,000
Franchising	39,809,000	32,678,000
Insurance	1,562,000	1,600,000
Leasing	150,000	181,000
Total revenues, net	66,472,000	48,562,000
Cost of revenues	32,538,000	24,279,000
Gross profit	33,934,000	24,283,000
Operating expenses	25,609,000	16,659,000
Operating profit	8,325,000	7,624,000
Other income (expense)		
Interest income	63,000	64,000
Interest expense	(926,000)	(362,000)
Other	(212,000)	(9,000)
Income (loss) from equity method investments	220,000	(96,000)
	(855,000)	(403,000)
Income before income taxes	7,470,000	7,221,000
Income tax expense	2,469,000	3,022,000
Net income	5,001,000	4,199,000
Net loss attributable to non-controlling interest	152,000	-
Net income attributable to Snap Fitness, Inc.	\$ 5,153,000	\$ 4,199,000

The accompanying notes are an integral part of these consolidated financial statements.

Snap Fitness, Inc. and Subsidiaries

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

Years ended December 31, 2013 and 2012

	<u>2013</u>	<u>2012</u>
Net income	\$ 5,001,000	\$ 4,199,000
Other comprehensive income (loss):		
Foreign currency translation adjustments	<u>(935,000)</u>	<u>88,000</u>
Comprehensive income	4,066,000	4,287,000
Comprehensive loss attributable to non-controlling interest	<u>152,000</u>	<u>-</u>
Comprehensive income attributable to Snap Fitness, Inc.	<u>\$ 4,218,000</u>	<u>\$ 4,287,000</u>

The accompanying notes are an integral part of these consolidated financial statements.

Snap Fitness, Inc. and Subsidiaries

CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY

Years ended December 31, 2013 and 2012

	Snap Fitness, Inc. Stockholders							
	Series A Redeemable Preferred Stock		Common stock		Additional paid-in capital	Retained earnings	Accumulated other comprehensive income (loss)	Non-controlling interest
	Shares	Par value	Shares	Par value				Total
Balance at December 31, 2011	40,800,000	\$ -	61,200,000	\$ -	\$ 931,000	\$ 20,711,000	\$ (227,000)	\$ -
Comprehensive income	-	-	-	-	-	4,199,000	88,000	-
Balance at December 31, 2012	40,800,000	-	61,200,000	-	931,000	24,910,000	(139,000)	-
Stock transfer change in ownership:								
Repurchase of common stock	-	-	(61,200,000)	-	-	-	-	-
Repurchase of preferred stock	(40,800,000)	-	-	-	-	-	-	-
Common stock issued	-	-	61,200,000	-	-	-	-	-
Preferred stock issued	40,800,000	-	-	-	-	-	-	-
Compensation expense relating to stock options	-	-	-	-	66,000	-	-	-
Comprehensive income (loss)	-	-	-	-	-	5,153,000	(935,000)	(152,000)
Balance at December 31, 2013	<u>40,800,000</u>	<u>\$ -</u>	<u>61,200,000</u>	<u>\$ -</u>	<u>\$ 997,000</u>	<u>\$ 30,063,000</u>	<u>\$ (1,074,000)</u>	<u>\$ (152,000)</u>

The accompanying notes are an integral part of these consolidated financial statements.

**Snap Fitness, Inc. and Subsidiaries**

**CONSOLIDATED STATEMENTS OF CASH FLOWS**

**Years ended December 31, 2013 and 2012**

	<u>2013</u>	<u>2012</u>
Cash flows from operating activities:		
Net income	\$ 5,001,000	\$ 4,199,000
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	10,539,000	5,610,000
Deferred income taxes	435,000	23,000
Deferred rent	165,000	478,000
Compensation expense related to stock options	66,000	-
Provision for credit losses	(10,000)	(12,000)
(Income) loss on equity method investments	(220,000)	96,000
Discount on prepayment of note	(69,000)	-
Foreign currency gain on payment of note	(100,000)	-
Loss on disposal of property and equipment	121,000	14,000
Changes in operating assets and liabilities, net of acquisitions:		
Accounts receivable	(1,276,000)	(378,000)
Inventories	(860,000)	(72,000)
Restricted cash	111,000	68,000
Prepaid expenses	(31,000)	(300,000)
Accounts payable	(258,000)	(314,000)
Customer deposits	15,000	73,000
Accrued expenses	961,000	1,533,000
Deferred franchise fees	(169,000)	(262,000)
Income taxes receivable/payable	(2,876,000)	1,113,000
Net cash provided by operating activities	<u>11,545,000</u>	<u>11,869,000</u>
Cash flows from investing activities:		
Purchase of property and equipment	(13,116,000)	(9,585,000)
Proceeds from sale of property and equipment	105,000	18,000
Proceeds from tenant improvements	302,000	12,000
Purchase of equipment for lease contracts with franchisees	(562,000)	(280,000)
Issuance of notes receivable to franchisees	(786,000)	(35,000)
Principal collections on lease contracts and notes receivable	836,000	1,358,000
Investment in affiliates	(300,000)	(505,000)
Acquisitions, net of cash acquired	(3,259,000)	(12,431,000)
Acquisition of Australia and New Zealand reacquired franchise rights	(9,831,000)	-
Net cash used in investing activities	<u>(26,611,000)</u>	<u>(21,448,000)</u>

**Snap Fitness, Inc. and Subsidiaries**

**CONSOLIDATED STATEMENTS OF CASH FLOWS – CONTINUED**

**Years ended December 31, 2013 and 2012**

	2013	2012
Cash flows from financing activities		
Payments on capital leases	\$ (140,000)	\$ (169,000)
Net borrowings on line of credit	(8,000)	8,000
Proceeds from issuance of equipment notes payable	2,459,000	4,738,000
Payments on equipment notes payable	(2,479,000)	(1,825,000)
Proceeds from issuance of term note payable	12,420,000	6,580,000
Payments on term note payable	(19,000,000)	-
Payment on note payable – joint venture buyout	(1,800,000)	-
Payments on note payable to stockholder	(1,584,000)	(105,000)
Payment of loan origination fees	(32,000)	(88,000)
Due from parent	14,577,000	-
	<u>4,413,000</u>	<u>9,139,000</u>
Net cash provided by financing activities		
	<u>4,413,000</u>	<u>9,139,000</u>
Effect of exchange rate changes on cash and cash equivalents	<u>101,000</u>	<u>252,000</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(10,552,000)	(188,000)
Cash and cash equivalents at beginning of year	<u>13,388,000</u>	<u>13,576,000</u>
Cash and cash equivalents at end of year	<u><u>\$ 2,836,000</u></u>	<u><u>\$ 13,388,000</u></u>
Supplemental disclosures of cash flow information:		
Cash paid for:		
Taxes	\$ 4,506,000	\$ 1,865,000
Interest	\$ 925,000	\$ 362,000
Supplemental disclosure of non-cash investing and financing activities:		
Note payable to purchase remaining 50% of joint venture	\$ -	\$ (1,699,000)
Software development costs acquired	\$ -	\$ 1,699,000

The accompanying notes are an integral part of these consolidated financial statements.

## Snap Fitness, Inc.

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2013 and 2012

#### NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Snap Fitness, Inc. (the “Company”), with headquarters in Chanhassen, Minnesota, sells franchises to operate 24-hour fitness centers under the name “Snap Fitness,” and provides services to its franchisees. At December 31, 2013 and 2012, the Company had 1,396 and 1,325 Snap Fitness franchises, respectively, opened throughout the United States, Canada, Australia, New Zealand, India, United Kingdom, Egypt, and Mexico. An additional 313 and 547 Snap Fitness franchise agreements were signed for locations not opened as of December 31, 2013 and 2012, respectively. The Company also operated 129 and 103 company-owned Snap Fitness clubs at December 31, 2013 and 2012, respectively.

As more fully described in Note C, on December 23, 2013, the Company experienced a change in control whereby the Company’s President, Summit Partners, and unrelated investor, transferred all shares of common stock and Series A Preferred to Lift Brands Inc. As of that date, the Company is a wholly owned subsidiary of Lift Brands Inc. Management has elected not to push down the effects of the acquisition to the Snap Fitness, Inc. subsidiary so they are not reflected in these consolidated financial statements.

On September 1, 2013, the Company purchased substantially all of the assets of Steele Fitness, Inc. Steele Fitness owns and operates five top-tier personal training clubs in the United States. The Company owns 75% of Steele Fitness, LLC and the entity is consolidated (Note B).

On January 3, 2012, Kosama Holdings, LLC, subsidiary of the Company, purchased substantially all of the assets of Kosama, Inc., a franchisor of group exercise fitness centers under the name “Kosama” (Note B). The Company had 30 and 29 Kosama franchises opened throughout the United States and Australia at December 31, 2013 and 2012, respectively. An additional 12 and 15 Kosama franchise agreements were signed for locations not opened as of December 31, 2013 and 2012, respectively. The Company also operated 6 and 5 company-owned Kosama clubs at December 31, 2013 and 2012, respectively.

A summary of significant accounting policies consistently applied in the preparation of the accompanying consolidated financial statements follows:

#### Principles of Consolidation

The consolidated financial statements include the accounts of Snap Fitness, Inc. and its wholly-owned subsidiaries:

Snap Fitness of Canada Inc.	SAP Insurance, Inc.
Snap Fitness (India) Pvt. Ltd.	SFP Digital Media, LLC
Snap Fitness Mexico SA de RL de CV	Kosama Holdings, LLC
Snap Fitness Australia Pty. Ltd.	GoFit, LLC
Snap Fitness New Zealand Limited	Snap Development of Canada, Inc.
Snap Fitness UK Limited	Health Fran LLC
Snap Security Systems, Inc.	
Snap Fitness Finance, LLC	
Wholesale Fitness Supply, LLC	
Snap Fitness Development, LLC	
Snap Fitness Properties, LLC	
SAP Corp.	



**Snap Fitness, Inc.**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – CONTINUED**

**December 31, 2013 and 2012**

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued**

In 2011, the Company made an investment in SFM Nogales S de R L de CV (50% owned), a fitness club in Nogales, Mexico. The club commenced operations as of March 1, 2011. The Company's initial cash investment was \$136,000. Its allocable loss for 2012 was \$1,000. The operating loss is included in other expense. SFM Nogales was formed with a well-capitalized partner to accelerate the opening of fitness clubs in Mexico. The Company accounted for this investment using the equity method of accounting. On December 1, 2012, the Company sold its shares in SFM Nogales for 1,543,000 Mexican Pesos (\$119,000) to be paid through a note receivable, which is included in financing receivables at December 31, 2013 and 2012. Monthly payments of 39,000 Mexican Pesos (\$3,000) commenced in January 2013 and will be paid through December 1, 2015.

In 2009, the Company made a 50 percent investment in GoFit, LLC. GoFit was formed with a club management and billing software company to develop a software platform in accordance with the Company's club management and billing process. The software is currently being utilized by all of the Company's corporate owned clubs, and is being phased into the Company's franchise clubs. In 2012, GoFit incurred losses of \$24,000, related mainly to depreciation of hardware and software placed in service to support the development process. The Company accounted for this investment using the equity method of accounting. On December 31, 2012, the Company acquired the remaining 50 percent interest in GoFit for \$1,800,000 to be paid through a note payable. Monthly payments of \$35,000 commenced in January 2013. The note payable was paid in full in 2013.

All significant intercompany accounts and transactions have been eliminated in the consolidation.

Equity Method Investments

During 2013, the Company made investments totaling \$300,000 resulting in a 40% ownership stake in 9Round. The investment was made to expand service offerings. During 2012, the Company made investments totaling \$505,000 in two joint ventures located in the United Kingdom. These joint ventures were formed to expand the Snap Fitness concept in the United Kingdom and are owned 50% by the Company and 50% by the franchisee. All of the investments are accounted for using the equity method of accounting. In 2013, the Company recorded \$120,000 for its pro-rata share of income attributable to 9Round, and \$100,000 for its pro-rata share of income attributable to the joint ventures located in the United Kingdom, on the line item captioned income (loss) from equity method investments.

Cash and Cash Equivalents

The Company considers highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents. The Company maintains bank accounts in the United States of America, Canada, India, New Zealand, Mexico, United Kingdom and Australia. At times, the bank balances may be in excess of insured limits. As of December 31, 2013 and 2012, the Company had \$1,383,000 and \$9,178,000, respectively, of cash located in foreign banks. The Company has not experienced any losses associated with these deposits.

**Snap Fitness, Inc.**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – CONTINUED**

**December 31, 2013 and 2012**

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued**

Accounts Receivable

Accounts receivable consist of amounts due for continuing franchise fees and sales and services. Additionally, it includes rebates received from vendors on the sale of equipment to franchisees and other miscellaneous amounts. Accounts outstanding longer than the contractual payment terms are considered past due. The Company provides an allowance for doubtful accounts based upon prior experience and management's assessment of the collectability of existing accounts. The Company writes off accounts receivable when they become uncollectible, and payments subsequently received on such receivables are credited to the allowance for doubtful accounts. The allowance for doubtful accounts was \$89,000 and \$60,000 at December 31, 2013 and 2012, respectively.

Financing Receivables/Allowance for Credit Losses

Financing receivables primarily consist of amounts due from franchisees for the lease of exercise equipment.

The Company maintains an allowance for credit losses for its financing receivables at an amount that it believes to be sufficient to absorb losses inherent in the existing lease portfolio as of the reporting dates. Leases are individually and collectively evaluated for potential loss. The Company's methodology for determining the allowance for credit losses includes consideration of the level of delinquencies, historical net charge-off amounts, a review of any significant concentrations and any specific knowledge about individual leases.

A provision is charged against earnings to maintain the allowance for credit losses at the appropriate level. The Company's policy is to charge-off against the allowance the estimated unrecoverable portion of accounts in connection with its monthly process of reviewing all delinquent accounts. The allowance for credit losses is considered a significant estimate that could materially change within the next year.

Inventories

Inventories consist principally of fitness and exercise equipment and related supplies which are held for sale and are stated at the lower of cost or market. Cost is determined using the first-in, first-out (FIFO) method.

Property and Equipment

Property and equipment, which consists primarily of office equipment, exercise equipment installed in corporate-owned clubs and leasehold improvements, are stated at cost. Depreciation is being provided using the straight-line method over the estimated useful lives of the related assets, which is three to seven years. Leasehold improvements are amortized over the estimated service life of the asset or the term of the related lease, whichever is shorter. Software development costs have not been placed in service as of December 31, 2013. The unamortized software development costs as of December 31, 2013 is \$2,740,000.

Snap Fitness, Inc.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – CONTINUED

December 31, 2013 and 2012

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

Impairment of Long-lived Assets

The Company reviews its long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. If the carrying amount of the asset exceeds expected undiscounted future cash flows, the Company measures the amount of impairment by comparing the carrying amount of the asset to its fair value. The Company recorded an impairment charge, as a component of operating expenses, related to its Kosama reporting unit of \$1,380,000 of contractual and non-contractual franchisee relationships for the year ended December 31, 2012.

Intangible assets

The Company's acquired intangible assets include backlog, trade name and member relationships made in conjunction with the Steele acquisition outlined in Note B. The useful lives of these assets are as follows:

Backlog	1 year
Trade name	10 years
Member relationships	3 years

Amortization expense was \$94,000 for the year ended December 31, 2013.

Future amortization is as follows:

<u>Year ending December 31,</u>	<u>Amount</u>
2014	\$257,000
2015	209,000
2016	174,000
2017	103,000
2018	103,000
Thereafter	481,000

Goodwill

The Company has determined that it has four reporting units: Snap Fitness corporate clubs, Snap Fitness franchising, Kosama, and Steele are at different levels of maturation and discrete financial information is prepared for the four reporting units, and regularly reviewed by management. The Snap Fitness corporate clubs and Steele reporting units are the only reporting units that have goodwill.

**Snap Fitness, Inc.**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – CONTINUED**

**December 31, 2013 and 2012**

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued**

The Company assesses whether there has been impairment in the value of goodwill at the reporting unit level by determining whether projected discounted future cash flows from its operations exceeds its carrying value, including goodwill, as of the assessment date, December 31. A new cost basis is established for impaired assets based on the fair value of these assets as of the date the assets are determined to be impaired. The Company recorded an impairment charge, as a component of operating expenses, related to its Kosama reporting unit of \$3,336,000 related to goodwill during the year ended December 31, 2012. At December 31, 2013, management used a qualitative approach to determine that it was more-likely-than-not that goodwill at its reporting units were not impaired.

Fair Value Measurements

The Company uses a framework for measuring fair value that provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of hierarchy under the framework are described below:

Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets.

Level 2: Inputs to the valuation methodology are inputs other than quoted prices related to Level 1 that are observable for the asset or liability, either directly or indirectly. If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The Company determined the fair value of goodwill and identifiable intangible assets obtained in the Steele and Kosama transactions (Note B) using Level 3 inputs which included a discounted cash flow model as of the acquisition date and as part of its annual impairment test at December 31, 2012.

The Company determined the fair value of the contingent consideration related to the Kosama transaction (Note B) using estimates of future EBITDA generated by the business through the 30-month earn-out period as of the acquisition date and at December 31, 2013 and 2012.

**Snap Fitness, Inc.**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – CONTINUED**

**December 31, 2013 and 2012**

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued**

**Reacquired Franchise Rights**

In accordance with ASC 805, *Business Combinations*, the Company accounts for franchise rights acquired from franchisee location purchases at fair value upon acquisition and amortizes this intangible asset on a straight-line basis over the term of the franchise agreements. The reacquired franchise rights before accumulated amortization was \$7,936,000 and \$7,124,000 at December 31, 2013 and 2012. Amortization expense was \$1,236,000 and \$988,000 for the years ended December 31, 2013 and 2012. Future amortization is as follows:

<u>Year ending December 31,</u>	<u>Amount</u>
2014	\$ 690,000
2015	556,000
2016	534,000
2017	534,000
2018	534,000
Thereafter	1,415,000

In January 2013, Snap Fitness Australia and Snap Fitness New Zealand purchased Jeanart PTY LTD (Australia) and NZ 24/7 Limited (New Zealand) for \$10,080,000 AUD (\$9,831,000 USD). The purpose of the acquisitions was to reacquire the franchise rights held by these entities to develop the Snap brand through franchise development in these countries. The purchases were accounted for as asset acquisitions with the purchase price recorded as reacquired franchise rights which are being amortized over the remaining terms of the franchise development agreements. Amortization expense was \$1,647,000 for the year ended December 31, 2013.

Future amortization is as follows:

<u>Year ending December 31,</u>	<u>Amount</u>
2014	\$1,440,000
2015	1,440,000
2016	1,440,000
2017	1,440,000
2018	1,440,000
Thereafter	482,000

The changes in the carrying amount of reacquired franchise rights for the years ended December 31, 2013 and 2012 are as follows:

	<u>2013</u>	<u>2012</u>
Balance at beginning of period	\$ 4,562,000	\$ 984,000
Current year reacquired franchise rights	10,266,000	4,410,000
Current year amortization	<u>(2,883,000)</u>	<u>(832,000)</u>
Balance at end of period	<u>\$11,945,000</u>	<u>\$4,562,000</u>

**Snap Fitness, Inc.**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – CONTINUED**

**December 31, 2013 and 2012**

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued**

Revenue Recognition

*Corporate Fitness Clubs* – The Company owns fitness clubs under the Snap Fitness, Kosama, 9Round and Steele Fitness brands. Monthly membership dues are recorded as revenue when earned. For the Steele Fitness locations, personal training session revenue is deferred until the session has occurred, redemption of the session is deemed to be remote or, subsequent to September 1, 2013, the session has expired. Apparel and merchandise sales are recorded at the point of sale. Returns have not been material.

*Franchising* – The Company derives revenues from the sale of franchises and related services to franchisees. The Company receives initial franchise fees, royalties and revenues from providing product and services to franchisees and rebates from certain vendors used by the franchise.

Initial franchise fees, which are non-refundable, typically are \$19,500 per store or \$45,000 for three stores. A portion of the fee is recognized immediately when a franchise agreement is signed, reflecting the commission earned related to the sale. The remaining fees are included in deferred franchise fees and are recognized as revenues when the Company has performed substantially all services, which is generally when the franchisee store commences operations or the franchisees' designated area reservation agreement is terminated. During the years ended December 31, 2013 and 2012, the Company recognized \$102,000 and \$500,000 of franchising revenue due to terminated franchisees' designated area reservation agreements.

Pursuant to the franchise agreement, franchisees are required to pay a continuing fee of \$399 – \$489 per month which is recognized monthly, beginning when the franchise operations commence.

The Company sells equipment and furniture to franchisees prior to the store opening. Sales are recognized when the products are installed. Membership processing services and internet hosting services are provided monthly to franchisees and revenue is recognized when services are provided. The Company receives rebates from certain vendors used by the franchisee that are recorded as service and sales revenue when franchisees purchase equipment and the related equipment is delivered to the franchisee. Franchisees contribute \$75 – \$125 per month to an advertising fund which the Company, at its discretion, may spend for advertising and marketing initiatives. Advertising fees collected were approximately \$1,533,000 and \$1,390,000 for the years ended December 31, 2013 and 2012, respectively, and are included in service and sales revenues within franchising revenues.

The Company collects various taxes from customers and remits these amounts to applicable taxing authorities. The Company's accounting policy is to exclude these taxes from revenues and cost of sales.

**Snap Fitness, Inc.**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – CONTINUED**

**December 31, 2013 and 2012**

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued**

*Insurance* – The Company administers a commercial property, crime and general liability insurance program for certain of its franchisees through its subsidiary, SAP Insurance, Inc., a captive insurance company. The program covers franchisee claims up to \$10 million per incident. SAP Insurance Inc. acts as a reinsurance company for a third-party insurance company that handles claims administration and payments. Under the reinsurance contract between SAP Insurance, Inc. and the third-party insurance company, SAP Insurance, Inc. reimburses the third-party insurance company for claims paid, up to a maximum of \$250,000 per claim. Any claim that exceeds \$250,000 is paid by the third-party insurance company, up to a maximum of \$2 million. Claims that exceed \$2 million, up to a maximum of \$10 million, will be covered by an umbrella policy held by SAP Insurance, Inc.

Premiums are collected by the Company from franchisees through its monthly franchise billing process and passed directly to SAP Insurance, Inc. SAP Insurance, Inc. records revenue at the value it receives from the third-party insurance company under the reinsurance contract. Recorded costs include actual claims paid per the reinsurance agreement, claims reported but not yet paid and an estimate of claims incurred but not reported.

*Leasing* – The Company leases fitness equipment to certain franchisees, generally over a term of five years. The leases contain a bargain purchase option and otherwise meet the criteria for a direct financing lease as outlined in ASC 840, *Leases*. Financing income is recorded over the lease term to produce a constant periodic rate of return on the net investment in the lease.

Advertising

Advertising costs are charged to cost of revenues and operating expense as incurred. Advertising costs charged to cost of revenues totaled \$5,072,000 and \$3,087,000 for the years ended December 31, 2013 and 2012 and costs charged to operating expenses totaled \$225,000 and \$6,000 for the years ended December 31, 2013 and 2012. Costs charged to cost of revenue include cost of advertising materials sold to newly opened clubs, marketing and advertising expenses for corporate-owned clubs in addition to design costs and ad materials for the advertising fund.

Foreign Currency Translation

Snap Fitness of Canada and Snap Development of Canada utilize the Canadian dollar as their functional currency, Snap Fitness (India) utilizes the Indian Rupee as its functional currency, Snap Fitness Australia utilizes the Australian dollar as its functional currency, Snap Fitness New Zealand utilizes the New Zealand dollar as its functional currency, Snap Fitness UK utilizes the British Pound as its functional currency and Snap Fitness Mexico utilizes the Mexican Peso as its functional currency. Accordingly, assets and liabilities denominated in foreign currencies are translated using the exchange rate in effect at the balance sheet date and revenues and expenses are translated at the average foreign exchange rates in effect for the period. Translation gains and losses relating to the foreign currencies are reflected as the balance of accumulated other comprehensive loss in stockholders' equity in the consolidated balance sheet.

**Snap Fitness, Inc.**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – CONTINUED**

**December 31, 2013 and 2012**

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued**

Income Taxes

The Company provides for income taxes utilizing the liability method recognizing taxes payable or refundable for the current year and deferred tax liabilities and assets for the future tax consequences of events that have been recognized in the Company's financial statements or tax returns.

Deferred tax assets and liabilities are measured using enacted tax rates in effect for the year in which temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in the period when the new rate is enacted.

The impact of an uncertain tax position taken or expected to be taken on an income tax return is recognized in the financial statements at the largest amount that is more-likely-than-not to be sustained upon audit by the relevant taxing authority. An uncertain income tax position will not be recognized in the financial statements unless it is more likely than not of being sustained. The Company elects to recognize interest and penalties related to unrecognized tax benefits in the provision for income taxes.

Use of Estimates

Preparing consolidated financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Subsequent Events

The Company has evaluated its consolidated financial statements for subsequent events through March 27, 2014, the date the financial statements were available to be issued. The Company is not aware of any subsequent events which would require recognition or disclosure in the consolidated financial statements.



**Snap Fitness, Inc.**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – CONTINUED**

**December 31, 2013 and 2012**

**NOTE B – ACQUISITIONS**

*Franchise Acquisitions*

During 2013 and 2012, the Company acquired the assets of five and twenty nine Snap Fitness franchises, respectively. The acquisitions were made to expand the Company's portfolio of corporate-owned clubs and were accounted for using the purchase method of accounting. The consideration transferred is outlined as follows:

	<u>2013</u>	<u>2012</u>
Cash paid	\$1,925,000	\$10,615,000
Liabilities of the seller paid at closing	<u>-</u>	<u>1,703,000</u>
Total consideration transferred	<u>\$1,925,000</u>	<u>\$12,318,000</u>

The fair value of the assets acquired resulted in the following initial purchase price allocation, which is subject to change for one year:

<u>Purchase Price Allocation</u>	<u>2013</u>	<u>2012</u>
Property and equipment	\$ 656,000	\$ 2,940,000
Goodwill	336,000	4,973,000
Reacquired franchise rights	<u>933,000</u>	<u>4,405,000</u>
	<u>\$1,925,000</u>	<u>\$12,318,000</u>

*Steele Fitness Acquisition*

The Company formed Steele Fitness, LLC in 2013 to acquire substantially all of the assets of Steele Fitness, Inc. ("Steele") from a third party on September 1, 2013 (the "Closing Date"). The Company acquired Steele to diversify its exposure to different segments of the personal fitness market. The results of the Steele operations have been included in the consolidated financial statements since that date. As a result of the acquisition, the Company operates five top-tier personal training clubs that serve individuals in the Twin Cities metro area under the "Steele" trade name.

The purchase price was comprised of an initial payment of \$1,500,000 in cash and 25,000 membership units in Steele Fitness, LLC. on the Closing Date. The membership units are contingent on the employment of Steele's former majority owner for two years from the Closing Date. As a result, they are being treated as stock-based compensation for post-acquisition services and not part of the consideration transferred in the acquisition. The membership units were valued at approximately \$393,000 and are being amortized over the two-year employment period. The stock-based compensation expense for the year ended December 31, 2013 was \$66,000. At December 31, 2013, the Company had \$327,000 of unrecognized compensation costs.

**Snap Fitness, Inc.**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – CONTINUED**

**December 31, 2013 and 2012**

**NOTE B – ACQUISITIONS – Continued**

The acquisition was accounted for using the purchase method of accounting. The purchase price has been allocated to the assets and liabilities acquired based on fair value. The following table summarizes the estimated fair value of the assets acquired and the liabilities assumed at the date of acquisition:

Purchase Price Allocation

Current assets (includes \$166,000 of cash)	\$ 526,000
Property and equipment	1,378,000
Identifiable intangible assets:	
Backlog	72,000
Trade name	1,030,000
Member relationships	319,000
Goodwill	546,000
Accounts payable and accrued liabilities	(155,000)
Deferred revenue	(1,805,000)
Assumed debt	<u>(411,000)</u>
	<u>\$ 1,500,000</u>

Backlog represents net cash flows related to personal training sessions that have been sold and will be used over the next 12 months. The fair value was determined using the multi-period excess earnings method, a variation of the income approach, based on the present value of estimated net cash flows which are undiscounted due to the 12 month period.

Trade name relates to the fair value of the Steele trade name determined using the relief from royalty method, a variation of the income approach. A 2% royalty rate assumption was used and was discounted at 8.5%.

Non-contractual member relationships represent the discounted cash flows attributable to club members as of the Closing Date. The fair value was determined using the multi-period excess earnings method, a variation of the income approach, based on the present value of estimated net cash flows which are discounted at a rate of 8.5% and an annual attrition rate of 32.7%.

Goodwill generally relates to the assembled workforce and expected synergies and is tax deductible.

Deferred revenue represents the fair value of the Company's performance obligation on unused personal training sessions that have been paid for in advance and are expected to be used after the Closing Date.

**Snap Fitness, Inc.**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – CONTINUED**

**December 31, 2013 and 2012**

**NOTE B – ACQUISITIONS – Continued**

*Kosama Acquisition*

As described in Note A, Kosama Holdings, LLC acquired substantially all of the assets of Kosama, Inc. (“Kosama”) on January 3, 2012 (the “Closing Date”). The results of the Kosama operations have been included in the consolidated financial statements since that date. As a result of the acquisition, the Company sells franchises to operate group exercise fitness centers under the name “Kosama,” and provides services to its franchisees.

The purchase price was comprised of an initial down payment on the Closing Date and an earn-out payment at any time, at the option of Kosama Holdings, LLC, following the 30 month anniversary of the Closing Date, but in no event later than the 60 month anniversary of the Closing Date. The initial down payment was \$113,000, which was comprised of a maximum payment of \$300,000, less \$187,000 in credits for deposits, down payments and prepaid fees collected by Kosama, Inc. from customers and franchisees. The amount of the earn-out payment will be equal to four times earnings before interest, taxes, depreciation and amortization of Kosama Holdings, LLC for the 12 calendar months prior to the valuation date as defined in the agreement. The aggregate purchase price was \$4,530,000, which is the cash consideration given plus the fair value of the contingent consideration expected to be paid following the 30 month anniversary of the Closing Date.

The acquisition was accounted for using the purchase method of accounting. The purchase price has been allocated to the assets and liabilities acquired based on fair value. The following table summarizes the estimated fair value of the assets acquired and the liabilities assumed at the date of acquisition:

Purchase Price Allocation

Contractual franchisee relationships	\$ 960,000
Non-contractual franchisee relationships	420,000
Goodwill	3,336,000
Deferred revenue	(197,000)
Deposits	<u>11,000</u>
	<u>\$4,530,000</u>

Contractual franchisee relationships represent the discounted cash flows attributable to the initial term of the franchise agreements signed as of the acquisition date. The fair value was determined based on the present value of estimated net cash flows over the average remaining initial franchise term, using a discount rate of 31.1%.

Non-contractual franchisee relationships represent the discounted cash flows attributable to any renewal periods after the initial term for the franchise agreements signed as of the acquisition date. The fair value was determined based on the present value of estimated net cash flows over the average number of renewal periods, using a discount rate of 31.4%.

**Snap Fitness, Inc.**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – CONTINUED**

**December 31, 2013 and 2012**

**NOTE B – ACQUISITIONS – Continued**

At December 31, 2012, the Company revalued the contingent consideration payable using the same methodology that was used at the acquisition date. Due to changes in expected cash flows for the acquired business after the acquisition date, the acquisition payable was reduced to zero, recorded as a component of operating expense, as of December 31, 2012. In addition, the Company determined that the franchise relationship assets and goodwill were fully impaired at December 31, 2012 and reduced these assets to zero, recorded as a component of operating expense. The net loss on the initial investment of \$300,000 is included as a component of depreciation and amortization in the Consolidated Statements of Cash Flows for the year ended December 31, 2012.

**NOTE C – EQUITY TRANSACTIONS**

Prior to May 2008, the Company's President was the sole stockholder, holding 5,000 shares of common stock out of the total authorized shares of 1,000,000. In May 2008, the Company effected an equity recapitalization whereby the authorized amount of common stock was increased to 400,000,000 shares, no par value, and 100,000,000 shares of Series A Preferred Stock, no par value (Series A Preferred). The 5,000 shares of common stock issued and outstanding was cancelled. In consideration for such cancellation, the Company issued 61,200,000 shares of common stock and 40,000,000 shares of Series A Preferred to the Company's President.

In May 2008, several investment funds sponsored by Summit Partners acquired shares of the outstanding Series A Preferred from the Company's President for \$1.00 per share, as well as 650,000 additional Series A Preferred shares from the Company. An additional 150,000 shares of the Series A Preferred were acquired from the Company by another unrelated investor. Total proceeds to the Company for the 800,000 shares of Series A Preferred sold was \$800,000.

The Series A Preferred provide preferences for payment of dividends and with respect to liquidation or dissolution of the Company. The liquidation preference is equal to the original purchase price of the stock. The Series A Preferred shares are convertible at any time, at the option of the holder, into shares of common stock at a ratio of \$1.00 of common stock for each preferred share. The conversion rate is adjusted periodically upon additional sales of common stock or issuance of options, warrants, and other rights to common stock. Upon a liquidation event, as defined, the holders of the Series A Preferred are entitled to be paid out of the assets of the Company an amount equal to the original purchase price of the outstanding Series A Preferred before any distribution may be made with respect to the common stock or any other class of capital stock. After such amount is paid to the Series A Preferred holders, they will participate with holders of the common stock on a pro-rata basis as if they had converted their shares prior to the liquidation event.

On December 23, 2013, the Company experienced a change in control whereby the Company's President, Summit Partners, and unrelated investor, transferred all shares of common stock and Series A Preferred to Lift Brands Inc. As of that date, the Company is a wholly-owned subsidiary of Lift Brands Inc. Lift Brands Inc. is a holding company with no direct operations and is dependent upon dividends, distributions and other payments from its subsidiaries to service payments due under its credit facility.

**Snap Fitness, Inc.**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – CONTINUED**

**December 31, 2013 and 2012**

**NOTE C – EQUITY TRANSACTIONS – Continued**

Lift Brands Inc. entered into a credit agreement that included a \$20,000,000 revolving loan commitment and an \$80,000,000 term loan commitment. The credit facility's maturity date is December 23, 2019. The first principal and interest payment is due on March 31, 2014. The purpose of the credit facility was to provide partial funding of the acquisition of ownership interest resulting in a change in control of the Company. As a result to the change in control, the Company is the guarantor on the credit facility of its parent, Lift Brands Inc. The Company must pay, comply with, and satisfy obligations and liabilities under the guarantee, in the event of non-payment or default by Lift Brands Inc. The obligations under the guarantee are unlimited, absolute, independent and unconditional under any and all circumstances.

Stock Options

The Company's 2008 Stock Option Plan had 5,368,421 shares of common stock available for issuance at the beginning of the year. Under its terms, employees and directors of the Company were eligible to receive non-qualified and incentive stock options. Outstanding options vested upon a liquidity event, as defined by the Plan. On December 23, 2013, the Company experienced a change in control. As a result to the change in control, option holders were paid the difference between the fair value per common share of \$1.13 and the \$1.00 exercise price, or \$13 cents per option, for a total payment of \$364,000 which is reflected as operating expenses within the consolidated statements of earnings for the year ended December 31, 2013.

**NOTE D – RELATED PARTY TRANSACTIONS**

The Company sold products and provided services to clubs owned by the Company's President and a member of the President's family. The Company also purchased merchandise and professional services from a company owned by a member of the President's family. A summary of these transactions are as follows:

	<u>2013</u>	<u>2012</u>
Continuing franchise fees	\$142,000	\$106,000
Merchandise purchased	752,000	425,000
Amounts due to related parties included in accounts payable	140,000	54,000
Print rebates	131,000	182,000

The Company leases its corporate office and one corporate owned club from an entity owned by the Company's President (see Note I).

The Company had a promissory note due to the Company's President from nine franchise locations purchased in 2009 in the amount of \$1,919,000. The promissory note required monthly payments in the amount of \$17,000, including interest of 6%, over 107 months using a 287-month amortization table and a balloon payment in the 107<sup>th</sup> month (July 2018). The amount outstanding as of December 31, 2012 was \$1,584,000. The note was paid in full in December 2013.

**Snap Fitness, Inc.**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – CONTINUED**

**December 31, 2013 and 2012**

**NOTE D – RELATED PARTY TRANSACTIONS – Continued**

The Company has a payable due to its parent company of \$14,577,000 at December 31, 2013. The payable does not have defined payment terms and will be paid back as cash flow is available.

**NOTE E – INSURANCE ACTIVITIES**

Insurance revenue is comprised of the following for the years ended December 31:

	<u>2013</u>	<u>2012</u>
Insurance premiums earned from franchisees	\$ 675,000	\$ 656,000
Insurance premiums ceded	<u>(226,000)</u>	<u>(268,000)</u>
Insurance revenues, net	449,000	388,000
Premiums earned from reinsurance	<u>1,113,000</u>	<u>1,212,000</u>
Total insurance revenue, net	<u>\$1,562,000</u>	<u>\$1,600,000</u>

The liability for insurance claims as of December 31, 2013 and 2012 was \$1,565,000 and \$1,417,000 and is included as a component of accrued expenses.

**NOTE F – FINANCING RECEIVABLES**

Financing receivables represent direct financing leases resulting from the Company financing equipment for certain franchisees. These receivables are typically paid over five years and are usually collateralized by a security interest in the underlying assets. The Company also advances funds to their franchisees as notes receivable that are typically paid between one and four years. The components of net financing receivables are as follows:

	<u>2013</u>	<u>2012</u>
Minimum lease payments receivable	\$2,321,000	\$ 907,000
Notes receivable	266,000	473,000
Unearned income	<u>(523,000)</u>	<u>(268,000)</u>
Total financing receivables	2,064,000	1,112,000
Allowance for credit losses	<u>(5,000)</u>	<u>(12,000)</u>
Financing receivables, net	2,059,000	1,100,000
Less current portion	<u>(532,000)</u>	<u>(304,000)</u>
Long-term financing receivables, net of current portion	<u>\$1,527,000</u>	<u>\$ 796,000</u>

**Snap Fitness, Inc.**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – CONTINUED**

**December 31, 2013 and 2012**

**NOTE F – FINANCING RECEIVABLES – Continued**

As of December 31, 2013, scheduled maturities of the minimum lease payments receivable, are as follows:

<u>Year ending December 31,</u>	<u>Amount</u>
2014	\$532,000
2015	499,000
2016	482,000
2017	401,000
2018	150,000

The activity in the allowance for credit losses for financing operations during the years ended December 31, 2013 and 2012 is as follows:

	<u>2013</u>	<u>2012</u>
Balance at beginning of period	\$ 12,000	\$ 24,000
Provision charged to expense (income)	<u>(7,000)</u>	<u>(12,000)</u>
Balance at end of period	<u>\$ 5,000</u>	<u>\$ 12,000</u>

The Company's investment in direct financing leases ("financing receivables") and allowance for credit losses by loss evaluation methodology are as follows:

	<u>December 31, 2013</u>		<u>December 31, 2012</u>	
	<u>Financing receivables</u>	<u>Allowance for credit losses</u>	<u>Financing receivables</u>	<u>Allowance for credit losses</u>
Collectively evaluated for loss potential	\$2,064,000	\$5,000	\$1,112,000	\$12,000
Individually evaluated for loss potential	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$2,064,000</u>	<u>\$5,000</u>	<u>\$1,112,000</u>	<u>\$12,000</u>

The Company's key credit quality indicator for its financing receivables is the status of the lease, defined as accruing or non-accruing. Leases that are accruing income are considered to have a lower risk of loss. Non-accrual leases are those that the Company believes have a higher risk of loss. As of December 31, 2013 and 2012 all leases were accruing income. Delinquent balances are determined based on the contractual terms of the lease.

**Snap Fitness, Inc.**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – CONTINUED**

**December 31, 2013 and 2012**

**NOTE G – EQUIPMENT NOTES PAYABLE**

The Company entered into four and five term notes in 2013 and 2012, respectively, to finance equipment of corporate-owned stores. The notes are secured by the specific equipment financed. The notes require monthly installments of principal plus interest. The term notes consist of the following as of December 31, 2013:

<u>Origination date</u>	<u>Principal amount</u>	<u>Maturity date</u>	<u>Interest rate</u>	<u>Commencing date</u>	<u>Outstanding balance</u>
February 2011	\$ 968,000	April 1, 2015	4.47%	April 1, 2011	\$ 323,000
April 2011	804,000	May 31, 2015	3.95%	June 1, 2011	299,000
August 2011	931,000	September 30, 2015	3.94%	October 1, 2011	325,000
November 2011	925,000	December 31, 2015	4.13%	January 1, 2012	463,000
December 2011	957,000	December 31, 2015	4.25%	January 1, 2012	498,000
April 2012	1,205,000	April 1, 2016	4.25%	May 1, 2012	703,000
May 2012	1,295,000	May 1, 2016	3.47%	June 1, 2012	804,000
July 2012	1,175,000	August 1, 2016	3.53%	August 1, 2012	777,000
August 2012	1,062,000	August 1, 2016	3.43%	September 1, 2012	723,000
January 2013	519,000	March 1, 2017	3.22%	January 1, 2013	417,000
May 2013	756,000	May 1, 2017	3.16%	May 1, 2013	652,000
November 2013	1,184,000	November 1, 2017	3.49%	November 1, 2013	<u>1,162,000</u>
					7,146,000
Less current maturities					<u>(2,915,000)</u>
					<u>\$ 4,231,000</u>

Aggregate maturities of equipment notes payable are as follows:

<u>Year ending December 31,</u>	<u>Amount</u>
2014	\$2,915,000
2015	2,610,000
2016	1,227,000
2017	394,000

Interest expense was \$852,000 and \$361,000 for the years ended December 31, 2013 and 2012, including interest to related parties of \$94,000 and \$99,000. The Company incurred loan financing costs of \$16,000 in 2013, which are being amortized over the term of the related equipment notes payable.



**Snap Fitness, Inc.**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – CONTINUED**

**December 31, 2013 and 2012**

**NOTE H – CREDIT AGREEMENT**

On October 29, 2012, the Company entered into a credit agreement with a bank. The credit agreement allows for borrowings up to \$15,000,000 with an option to borrow an additional \$5,000,000. The agreement expires on June 30, 2015.

Borrowings under the revolving line of credit accrued interest at LIBOR plus an applicable margin based on the Company's leverage ratio. Commencing December 31, 2012 and continuing in the last day of each fiscal quarter, the aggregate outstanding principal balance of the revolving line of credit, rounded to the nearest \$10,000, will be converted to a term note. At December 31, 2012, the outstanding balance of the term note payable was \$6,580,000 with interest at 1.96 percent. Monthly payments of \$110,000 were due until the maturity date of June 30, 2015, when the remaining balance was due. In addition, there was \$8,000 remaining on the revolving line of credit at December 31, 2012. During 2013, additional borrowings were made which were converted to term notes payable. In conjunction with the change in control event on December 23, 2013 (Note C), the outstanding balances were paid in full and the credit agreement was closed.

The Company incurred loan financing costs of \$16,000 and \$88,000 in 2013 and 2012, which were being amortized over the term of the credit agreement. The remaining balance was expensed in 2013 when the credit agreement was closed.

**NOTE I – COMMITMENTS AND CONTINGENCIES**

Capital Leases

The Company has eight capital leases for leasehold improvements and equipment which expire at various times through 2017. Total minimum lease payments required under the capital leases are as follows:

<u>Year ending December 31,</u>	<u>Amount</u>
2014	\$152,000
2015	109,000
2016	31,000
2017	<u>17,000</u>
Total minimum lease payments	309,000
Less: Amounts representing interest	<u>27,000</u>
Present value of future minimum lease payments	282,000
Less: Current portion	<u>134,000</u>
Capital lease obligations, net of current portion	<u>\$148,000</u>

Leasehold improvements and equipment includes \$880,000 of assets under capital lease with accumulated amortization of \$92,000.

Snap Fitness, Inc.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – CONTINUED

December 31, 2013 and 2012

NOTE I – COMMITMENTS AND CONTINGENCIES – Continued

Operating Leases

The Company leases its corporate office space from a related entity, with the lease expiring in 2027. The current lease agreement calls for minimum base rent, including escalating payments as well as association dues and real estate taxes. The Company leases one of its corporate owned clubs from a related entity, with the lease expiring in 2014. The remaining corporate owned clubs are leased from unrelated parties with various expiration dates through August 2021. The Company accounts for rent payments on a straight-line basis over the term of the lease. Two additional leases, which began in 2009, are personally guaranteed by the President.

Estimated future minimum rental payments plus common area charges are as follows:

<u>Year ending December 31,</u>	<u>Amount</u>
2014	\$6,894,000
2015	6,311,000
2016	5,230,000
2017	3,722,000
2018	2,247,000
Thereafter	5,548,000

Total rent expense for the years ended December 31, 2013 and 2012 was \$7,249,000 and \$4,313,000, including rent expense to related parties of \$604,000 and \$471,000, respectively.

Litigation

The Company is involved in legal proceedings arising in the ordinary course of business. Although the outcome of these proceedings cannot presently be determined, in the opinion of management, disposition of these proceedings will not have a material adverse effect on the financial position or results of operations of the Company.

**Snap Fitness, Inc.**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – CONTINUED**

**December 31, 2013 and 2012**

**NOTE I – COMMITMENTS AND CONTINGENCIES – Continued**

Franchisee Equipment Guarantee

In 2009, the Company, in an effort to increase sales of new franchise locations, established a franchise financing program with a third party lender. As of December 31, 2013, the Company has guarantees of certain franchisee's loans relating to equipment used within their Snap Fitness club. The term of the agreement is ongoing unless suspended by another agreement or terminated by both parties. If the franchisee remains delinquent on payments for 65 consecutive days, the Company is required to cure the payment defaults under the applicable lease or buy back the equipment subject to the lease. The guarantee buyback is 45% or 65% of the depreciated value of the removable assets included in the standard Snap Fitness equipment package based on a 20% per year depreciation rate. The estimated maximum potential future payments as of December 31, 2013 are \$1,433,000. In addition, the Company has guarantees of certain franchises loans relating to the re-snap program offered to franchises to update their clubs. Snap guarantees 100% of the remaining principal balance of the franchisee loan. The estimated maximum potential future payments as of December 31, 2013 are \$265,000. The Company currently has no liability recorded in its consolidated financial statements for the guarantor's obligation under the guarantees because the Company expects the equipment obtained in the case of default would have value in excess of the Company's obligation. As of December 31, 2013, no franchisees are in default under this program.

Insurance and Claims

The Company owns a wholly-owned captive insurance company that is used for the franchisee insurance program described in Note A. Insurance coverage is maintained for per-incident and cumulative liability losses in amounts the Company considers sufficient based upon ongoing review. The Company provides currently for its share of estimated losses. In connection with insurance carriers and regulatory authorities, as of December 31, 2013 and 2012, the Company maintains restricted cash to guarantee settlement of claims in the amounts of \$1,855,000 and \$1,966,000, respectively. Should the captive experience losses greater than expected over an extended period, they could have an adverse impact on the operating results of the Company.

Steele Funding Commitment

Pursuant to the terms of the Steele Fitness acquisition, the Company committed to spending up to \$1,500,000 on new or existing Steele Fitness locations on or before September 1, 2015. This requirement can be waived by the sellers of the Steele assets. If the Company does not meet this commitment and it is not waived, the sellers can put the 25,000 units of ownership of Steele Fitness, LLC to the Company for the greater of \$3,000,000 or five times EBITDA of the Steele business, as defined in the agreement. This put feature also applies upon any of the following events occurring before September 1, 2017; 1) the change in control, as defined, of Steele Fitness, LLC, 2) Peter Taunton no longer serving as the Snap Fitness, Inc. CEO or 3) termination of the employment of Steele's former majority owner.

**Snap Fitness, Inc.**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – CONTINUED**

**December 31, 2013 and 2012**

**NOTE J – INCOME TAXES**

During 2007, the Company filed an election to be treated as a Small Business Corporation (Subchapter S) whereby income taxes on Company earnings would be payable personally by the stockholder. This election was approved by the IRS during 2008, after the completion of the Company's 2007 financial statements, and the Company filed its 2007 income tax returns in accordance with the provisions of Subchapter S. In connection with the equity transactions described in Note C, the Company's election under Subchapter S was terminated effective May 23, 2008, and the Company began again to provide for income tax expense in its consolidated financial statements.

The following table shows the components of deferred tax assets and liabilities as of December 31:

	<u>2013</u>	<u>2012</u>
Deferred tax assets		
Deferred revenue	\$ 299,000	\$ 397,000
Accruals and reserves	238,000	41,000
Deferred rent	<u>685,000</u>	<u>468,000</u>
Total deferred tax assets	<u>\$ 1,222,000</u>	<u>\$ 906,000</u>
Deferred tax liabilities		
Depreciation and amortization	\$ 3,207,000	\$2,348,000
Prepaid expenses	39,000	22,000
Other	<u>137,000</u>	<u>262,000</u>
Total deferred tax liability	<u>3,383,000</u>	<u>2,632,000</u>
Total net deferred tax liability	<u>\$ (2,161,000)</u>	<u>\$ (1,726,000)</u>

Income taxes consists of the following for the years ended December 31:

	<u>2013</u>	<u>2012</u>
Current income tax expense	\$2,034,000	\$2,999,000
Deferred income tax expense	<u>435,000</u>	<u>23,000</u>
Income tax expense	<u>\$2,469,000</u>	<u>\$3,022,000</u>

The Company's effective income tax rate does not materially differ from the statutory income tax rate.

The total amount of unrecognized tax benefits and related penalties and interest is not material as of December 31, 2013. Therefore no amounts related to uncertain tax positions, penalties or interest have been recorded in the financial statements. The Company does not have any current audits in process. The Company is currently open to audit under the statute of limitations by the Internal Revenue Service and the appropriate state income taxing authorities from 2009 to 2012.



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Consolidated Financial Statements and Report of  
Independent Certified Public Accountants

**Snap Fitness, Inc.**

December 31, 2012 and 2011

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## **Report of Independent Certified Public Accountants**

Board of Directors  
Snap Fitness, Inc.

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We have audited the accompanying consolidated financial statements of Snap Fitness, Inc. (a Minnesota Corporation) and subsidiaries, which comprise the consolidated balance sheets as of December 31, 2012 and 2011, and the related consolidated statements of earnings, comprehensive income, stockholders' equity, and cash flows for the years then ended, and the related notes to the financial statements.

### **Management's responsibility for the financial statements**

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

### **Auditor's responsibility**

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.



We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Snap Fitness, Inc. and subsidiaries as of December 31, 2012 and 2011, and the results of their operations and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

GRANT THORNTON LLP

Minneapolis, MN

March 15, 2013

## **CONSOLIDATED FINANCIAL STATEMENTS**

Snap Fitness, Inc.

CONSOLIDATED BALANCE SHEETS

December 31, 2012 and 2011

ASSETS	2012	2011
CURRENT ASSETS		
Cash and cash equivalents	\$ 13,388,000	\$ 13,576,000
Financing receivables, net	304,000	535,000
Accounts receivable:		
Franchise, net	1,760,000	1,384,000
Reinsurance premium receivable	160,000	147,000
Co-op rebate	415,000	308,000
Related parties	4,000	1,000
Other	541,000	478,000
Inventories	2,273,000	2,192,000
Prepaid expenses	1,246,000	987,000
Note receivable	91,000	99,000
Income tax receivable	-	493,000
Deferred income taxes	416,000	436,000
Total current assets	20,598,000	20,636,000
PROPERTY AND EQUIPMENT – AT COST		
Equipment and leasehold improvements	26,211,000	13,274,000
Equipment under construction	13,000	1,190,000
Software development costs	1,699,000	-
	27,923,000	14,464,000
Less accumulated depreciation	(7,843,000)	(3,851,000)
	20,080,000	10,613,000
OTHER ASSETS		
Financing receivables, net of current portion	796,000	993,000
Goodwill	4,973,000	-
Reacquired franchise rights, net	4,562,000	984,000
Restricted cash	1,966,000	2,034,000
Equity investments	514,000	162,000
Loan origination fees, net	83,000	-
Note receivable, net of current portion	189,000	405,000
	13,083,000	4,578,000
	\$ 53,761,000	\$ 35,827,000

The accompanying notes are an integral part of these consolidated financial statements.

Snap Fitness, Inc.

CONSOLIDATED BALANCE SHEETS – CONTINUED

December 31, 2012 and 2011

LIABILITIES AND STOCKHOLDERS' EQUITY	2012	2011
CURRENT LIABILITIES		
Current portion of capital lease obligations	\$ 87,000	\$ 174,000
Accounts payable	1,651,000	1,701,000
Accrued expenses	4,633,000	2,669,000
Deferred franchise fees	1,450,000	1,499,000
Customer deposits	333,000	265,000
Income taxes payable	626,000	-
Line of credit	8,000	-
Current portion of term note payable	1,320,000	-
Note payable - joint venture buyout	1,800,000	-
Current portion of equipment notes payable	2,249,000	1,090,000
Current portion of note payable to stockholder	112,000	105,000
Total current liabilities	14,269,000	7,503,000
CAPITAL LEASE OBLIGATIONS, less current portion	-	22,000
EQUIPMENT NOTES PAYABLE, less current portion	4,916,000	3,164,000
TERM NOTE PAYABLE, less current portion	5,260,000	-
NOTE PAYABLE TO STOCKHOLDER, less current portion	1,472,000	1,584,000
DEFERRED INCOME TAXES	2,142,000	2,139,000
Total liabilities	28,059,000	14,412,000
COMMITMENTS AND CONTINGENCIES	-	-
STOCKHOLDERS' EQUITY		
Series A preferred stock – 100,000,000 shares of no par value authorized; 40,800,000 shares issued and outstanding as of December 31, 2012 and 2011	-	-
Common stock – authorized 400,000,000 shares of no par value and 1,000,000 shares of \$.01 par value as of December 31, 2012 and 2011; 61,200,000 shares of no par value issued and outstanding as of December 31, 2012 and 2011	-	-
Additional paid-in capital	931,000	931,000
Retained earnings	24,910,000	20,711,000
Accumulated other comprehensive loss	(139,000)	(227,000)
	25,702,000	21,415,000
	\$ 53,761,000	\$ 35,827,000

The accompanying notes are an integral part of these consolidated financial statements.

**Snap Fitness, Inc.**

**CONSOLIDATED STATEMENTS OF EARNINGS**

**Years ended December 31, 2012 and 2011**

	<u>2012</u>	<u>2011</u>
Revenues, net		
Franchising	\$ 46,781,000	\$ 33,737,000
Insurance	1,600,000	1,463,000
Leasing	<u>181,000</u>	<u>234,000</u>
Total revenues, net	48,562,000	35,434,000
 Cost of revenues	 <u>24,279,000</u>	 <u>15,856,000</u>
 Gross profit	 24,283,000	 19,578,000
 Operating expenses	 <u>16,659,000</u>	 <u>11,614,000</u>
 Operating profit	 7,624,000	 7,964,000
 Other income (expense)		
Interest income	64,000	71,000
Interest expense	(362,000)	(197,000)
Other	<u>(105,000)</u>	<u>(87,000)</u>
	<u>(403,000)</u>	<u>(213,000)</u>
 Income before income taxes	 7,221,000	 7,751,000
 Income tax expense	 <u>3,022,000</u>	 <u>2,726,000</u>
 Net income	 <u>\$ 4,199,000</u>	 <u>\$ 5,025,000</u>

The accompanying notes are an integral part of these consolidated financial statements.

Snap Fitness, Inc.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

Years ended December 31, 2012 and 2011

	<u>2012</u>	<u>2011</u>
Net income	\$ 4,199,000	\$ 5,025,000
Other comprehensive income		
Foreign currency adjustments	<u>88,000</u>	<u>(298,000)</u>
Other comprehensive income	<u>88,000</u>	<u>(298,000)</u>
Comprehensive income	<u>\$ 4,287,000</u>	<u>\$ 4,727,000</u>

The accompanying notes are an integral part of these consolidated financial statements.

Snap Fitness, Inc.

CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY

Years ended December 31, 2012 and 2011

	Series A Redeemable Preferred Stock		Common stock		Additional paid-in capital	Retained earnings	Accumulated other comprehensive income (loss)	Total
	Shares	Par value	Shares	Par value				
Balance at December 31, 2010	40,800,000	\$ -	61,200,000	\$ -	\$ 931,000	\$ 15,686,000	\$ 71,000	\$ 16,688,000
Comprehensive income	-	-	-	-	-	5,025,000	(298,000)	4,727,000
Balance at December 31, 2011	40,800,000	-	61,200,000	-	931,000	20,711,000	(227,000)	21,415,000
Comprehensive income	-	-	-	-	-	4,199,000	88,000	4,287,000
Balance at December 31, 2012	<u>40,800,000</u>	<u>\$ -</u>	<u>61,200,000</u>	<u>\$ -</u>	<u>\$ 931,000</u>	<u>\$ 24,910,000</u>	<u>\$ (139,000)</u>	<u>\$ 25,702,000</u>

The accompanying notes are an integral part of these consolidated financial statements.

Snap Fitness, Inc.

CONSOLIDATED STATEMENTS OF CASH FLOWS

Years ended December 31, 2012 and 2011

	<u>2012</u>	<u>2011</u>
Cash flows from operating activities:		
Net income	\$ 4,199,000	\$ 5,025,000
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	5,610,000	2,918,000
Deferred income taxes	23,000	1,803,000
Deferred rent	478,000	364,000
Provision for credit losses	(12,000)	24,000
Loss on equity investments	96,000	62,000
Loss (gain) on disposal of property and equipment	14,000	(63,000)
Changes in operating assets and liabilities, net of acquisitions:		
Accounts receivable	(378,000)	(4,000)
Inventories	(72,000)	(185,000)
Restricted cash	68,000	1,813,000
Prepaid expenses	(300,000)	87,000
Accounts payable	(314,000)	34,000
Customer deposits	73,000	(209,000)
Accrued expenses	1,533,000	514,000
Deferred franchise fees	(262,000)	(1,243,000)
Income taxes receivable/payable	<u>1,113,000</u>	<u>(195,000)</u>
Net cash provided by operating activities	11,869,000	10,745,000
Cash flows from investing activities:		
Purchase of property and equipment	(9,585,000)	(7,493,000)
Proceeds from sale of property and equipment	18,000	36,000
Proceeds from tenant improvements	12,000	185,000
Purchase of equipment for lease contracts with franchisees	(280,000)	(400,000)
Issuance of notes receivable to franchisees	(35,000)	(38,000)
Principal collections on lease contracts and notes receivable	1,358,000	692,000
Investment in affiliates	(505,000)	(174,000)
Acquisitions, net of cash acquired	<u>(12,431,000)</u>	<u>(1,107,000)</u>
Net cash used in investing activities	(21,448,000)	(8,299,000)



**Snap Fitness, Inc.**

**CONSOLIDATED STATEMENTS OF CASH FLOWS – CONTINUED**

**Years ended December 31, 2012 and 2011**

	<u>2012</u>	<u>2011</u>
Cash flows from financing activities		
Payments on capital leases	\$ (169,000)	\$ (298,000)
Net borrowings on line of credit	8,000	-
Payments on equipment notes payable	(1,825,000)	(331,000)
Proceeds from issuance of equipment notes payable	4,738,000	4,585,000
Proceeds from issuance of term note payable	6,580,000	-
Payments on note payable to stockholder	(105,000)	(99,000)
Payment of loan origination fees	(88,000)	-
Net cash provided by financing activities	<u>9,139,000</u>	<u>3,857,000</u>
 Effect of exchange rate changes on cash and cash equivalents	 <u>252,000</u>	 <u>(195,000)</u>
 NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	 (188,000)	 6,108,000
 Cash and cash equivalents at beginning of year	 <u>13,576,000</u>	 <u>7,468,000</u>
 Cash and cash equivalents at end of year	 <u>\$ 13,388,000</u>	 <u>\$ 13,576,000</u>
 Supplemental disclosures of cash flow information:		
Cash paid for:		
Taxes	\$ 1,865,000	\$ 1,106,000
Interest	\$ 362,000	\$ 197,000
 Supplemental disclosure of non-cash investing and financing activities:		
Unearned insurance premiums	\$ -	\$ (1,050,000)
Note receivable for sale of property and equipment	\$ -	\$ 320,000
Note payable to purchase remaining 50% of joint venture	\$ (1,699,000)	\$ -
Software development costs acquired	\$ 1,699,000	\$ -

The accompanying notes are an integral part of these consolidated financial statements.

**Snap Fitness, Inc.**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**December 31, 2012 and 2011**

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Snap Fitness, Inc. (the “Company”), with headquarters in Chanhassen, Minnesota, sells franchises to operate 24-hour fitness centers under the name “Snap Fitness,” and provides services to its franchisees. At December 31, 2012 and 2011, the Company had 1,325 and 1,249 Snap Fitness franchises, respectively, opened throughout the United States, Canada, Australia, New Zealand, India and Mexico. An additional 828 and 785 Snap Fitness franchise agreements were signed for locations not opened as of December 31, 2012 and 2011, respectively. The Company also operated 103 and 56 company-owned Snap Fitness clubs at December 31, 2012 and 2011, respectively.

On January 3, 2012, Kosama Holdings, LLC, subsidiary of the Company, purchased substantially all of the assets of Kosama, Inc., a franchisor of group exercise fitness centers under the name “Kosama” (Note B). At December 31, 2012, the Company had 30 Kosama franchises opened throughout the United States and Australia. An additional 12 Kosama franchise agreements were signed for locations not opened as of December 31, 2012. The Company also operated 5 company-owned Kosama clubs at December 31, 2012.

A summary of significant accounting policies consistently applied in the preparation of the accompanying consolidated financial statements follows:

Principles of Consolidation

The consolidated financial statements include the accounts of Snap Fitness, Inc. and its wholly-owned subsidiaries:

- Snap Fitness of Canada Inc.
- Snap Fitness (India) Pvt. Ltd.
- Snap Fitness Mexico SA de RL de CV
- Snap Fitness Australia Pty. Ltd.
- Snap Fitness New Zealand Limited
- Snap Fitness UK Limited
- Snap Security Systems, Inc.
- Snap Fitness Finance, LLC
- Wholesale Fitness Supply, LLC
- Snap Fitness Development, LLC
- Snap Fitness Properties, LLC
- SAP Corp.
- SAP Insurance, Inc.
- SFI Digital Media, LLC
- Kosama Holdings, LLC
- GoFit, LLC
- Fitness On Demand, LLC
- Snap Development of Canada, Inc.

**Snap Fitness, Inc.**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – CONTINUED**

**December 31, 2012 and 2011**

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued**

In 2011, the Company made an investment in SFM Nogales S de R L de CV (50% owned), a fitness club in Nogales, Mexico. The club commenced operations as of March 1, 2011. The Company's initial cash investment was \$136,000. Its allocable loss for 2012 and 2011 was \$1,000 and \$10,000, respectively. The operating loss is included in other expense. SFM Nogales was formed with a well-capitalized partner to accelerate the opening of fitness clubs in Mexico. The Company accounted for this investment using the equity method of accounting. On December 1, 2012, the Company sold its shares in SFM Nogales for 1,543,000 Mexican Pesos (\$119,000) to be paid through a note receivable, which is included in financing receivables at December 31, 2012. Monthly payments of 39,000 Mexican Pesos (\$3,000) commenced in January 2013 and will be paid through December 1, 2015.

In 2009, the Company made a 50 percent investment in GoFit, LLC. GoFit was formed with a club management and billing software company to develop a software platform in accordance with the Company's club management and billing process. The software is currently being utilized by some of the Company's corporate owned clubs; however, GoFit, LLC has not commenced significant operations as of December 31, 2012. In 2012 and 2011, GoFit incurred losses of \$24,000 and \$52,000, respectively, related mainly to depreciation of hardware and software placed in service to support the development process. The Company accounted for this investment using the equity method of accounting. On December 31, 2012, the Company acquired the remaining 50 percent interest in GoFit for \$1,800,000 to be paid through a note payable. Monthly payments of \$35,000 commenced in January 2013. The note payable is due in full when the software is installed in at least 100 corporate owned clubs, which is expected to occur in 2013.

During 2012, the Company made investments totaling \$505,000 in two joint ventures located in the United Kingdom. These joint ventures were formed to expand the Snap Fitness concept in the United Kingdom and are owned 50% by the Company and 50% by the franchisee. The investments are accounted for using the equity method of accounting. The Company's share of losses were immaterial during the year ended December 31, 2012.

All significant intercompany accounts and transactions have been eliminated in the consolidation.

**Cash and Cash Equivalents**

The Company considers highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents. The Company maintains bank accounts in the United States of America, Canada, India, New Zealand, Mexico, United Kingdom and Australia. At times, the bank balances may be in excess of insured limits. As of December 31, 2012 and 2011, the Company had \$9,178,000 and \$3,764,000, respectively, of cash located in foreign banks. The Company has not experienced any losses associated with these deposits.

Snap Fitness, Inc.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – CONTINUED

December 31, 2012 and 2011

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

Accounts Receivable

Accounts receivable consist of amounts due for continuing franchise fees and sales and services. Additionally, it includes rebates received from vendors on the sale of equipment to franchisees and other miscellaneous amounts. Accounts outstanding longer than the contractual payment terms are considered past due. The Company provides an allowance for doubtful accounts based upon prior experience and management's assessment of the collectability of existing accounts. The Company writes off accounts receivable when they become uncollectible, and payments subsequently received on such receivables are credited to the allowance for doubtful accounts. The allowance for doubtful accounts was \$60,000 and \$205,000 at December 31, 2012 and 2011, respectively.

Financing Receivables/Allowance for Credit Losses

Financing receivables primarily consist of amounts due from franchisees for the lease of exercise equipment.

The Company maintains an allowance for credit losses for its financing receivables at an amount that it believes to be sufficient to absorb losses inherent in the existing lease portfolio as of the reporting dates. Leases are individually and collectively evaluated for potential loss. The Company's methodology for determining the allowance for credit losses includes consideration of the level of delinquencies, historical net charge-off amounts, a review of any significant concentrations and any specific knowledge about individual leases.

A provision is charged against earnings to maintain the allowance for credit losses at the appropriate level. The Company's policy is to charge-off against the allowance the estimated unrecoverable portion of accounts in connection with its monthly process of reviewing all delinquent accounts. The allowance for credit losses is considered a significant estimate that could materially change within the next year.

Inventories

Inventories consist principally of fitness and exercise equipment and related supplies which are held for sale and are stated at the lower of cost or market. Cost is determined using the first-in, first-out (FIFO) method.

Property and Equipment

Property and equipment, which consists primarily of office equipment, exercise equipment installed in corporate-owned clubs and leasehold improvements, are stated at cost. Depreciation is being provided using the straight-line method over the estimated useful lives of the related assets, which is three to seven years. Leasehold improvements are amortized over the estimated service life of the asset or the term of the related lease, whichever is shorter.

Snap Fitness, Inc.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – CONTINUED

December 31, 2012 and 2011

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

Impairment of Long-lived Assets

The Company reviews its long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. If the carrying amount of the asset exceeds expected undiscounted future cash flows, the Company measures the amount of impairment by comparing the carrying amount of the asset to its fair value. The Company recorded an impairment charge, as a component of operating expenses, related to its Kosama reporting unit of \$1,380,000 of contractual and non-contractual franchisee relationships for the year ended December 31, 2012.

Goodwill

The Company has determined that it operates as two segments and reporting units. The two segments/reporting units, Snap Fitness and Kosama, are at different levels of maturation and discrete financial information is prepared for the two segments, and regularly reviewed by management.

The Company assesses whether there has been impairment in the value of goodwill at the reporting unit level by determining whether projected discounted future cash flows from its operations exceeds its carrying value, including goodwill, as of the assessment date, December 31. A new cost basis is established for impaired assets based on the fair value of these assets as of the date the assets are determined to be impaired. The Company recorded an impairment charge, as a component of operating expenses, related to its Kosama reporting unit of \$3,336,000 related to goodwill for the year ended December 31, 2012.

Fair Value Measurements

The Company uses a framework for measuring fair value that provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of hierarchy under the framework are described below:

Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets.

Level 2: Inputs to the valuation methodology are inputs other than quoted prices related to Level 1 that are observable for the asset or liability, either directly or indirectly. If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

Snap Fitness, Inc.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – CONTINUED

December 31, 2012 and 2011

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

The Company determined the fair value of goodwill and identifiable intangible assets obtained in the Kosama transaction (Note B) using Level 3 inputs which included a discounted cash flow model as of the acquisition date and as part of its annual impairment tests.

The Company determined the fair value of the contingent consideration related to the Kosama transaction (Note B) using estimates of future EBITDA generated by the business through the 30-month earn-out period as of the acquisition date and at December 31, 2012.

Reacquired Franchise Rights

In accordance with ASC 805, *Business Combinations*, the Company accounts for franchise rights acquired from franchisee location purchases at fair value upon acquisition and amortizes this intangible asset on a straight-line basis over the term of the franchise agreements. The reacquired franchise rights before accumulated amortization was \$7,124,000 and \$2,755,000 at December 31, 2012 and 2011. Amortization expense was \$988,000 and \$838,000 for the years ended December 31, 2012 and 2011. Future amortization is as follows:

<u>Year ending December 31,</u>	<u>Amount</u>
2013	\$1,092,000
2014	559,000
2015	449,000
2016	427,000
2017	427,000
Thereafter	1,608,000

Revenue Recognition

The Company derives all of its revenues from the sale of franchises and related services to franchisees. The Company receives initial franchise fees, royalties and revenues from providing product and services to franchisees and rebates from certain vendors used by the franchise.

*Franchising* – Initial franchise fees, which are non-refundable, typically are \$15,000 per store or \$40,000 for three stores. A portion of the fee is recognized immediately when a franchise agreement is signed, reflecting the commission earned related to the sale. The remaining fees are included in deferred franchise fees and are recognized as revenues when the Company has performed substantially all services, which is generally when the franchisee store commences operations or the franchisees' designated area reservation agreement is terminated. During the years ended December 31, 2012 and 2011, the Company recognized \$500,000 and \$1,043,000 of franchising revenue due to terminated franchisees' designated area reservation agreements.

Pursuant to the franchise agreement, franchisees are required to pay a continuing fee of \$399 – \$479 per month which is recognized monthly, beginning when the franchise operations commence.

**Snap Fitness, Inc.**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – CONTINUED**

**December 31, 2012 and 2011**

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued**

The Company sells equipment and furniture to franchisees prior to the store opening. Sales are recognized when the products are installed. Membership processing services and internet hosting services are provided monthly to franchisees and revenue is recognized when services are provided. The Company receives rebates from certain vendors used by the franchisee that are recorded as service and sales revenue when franchisees purchase equipment and the related equipment is delivered to the franchisee. Franchisees contribute \$75 – \$99 per month to an advertising fund which the Company, at its discretion, may spend for advertising and marketing initiatives. Advertising fees collected were approximately \$1,390,000 and \$1,128,000 for the years ended December 31, 2012 and 2011, respectively, and are included in service and sales revenues within franchising revenues.

*Insurance* – The Company administers a commercial property, crime and general liability insurance program for certain of its franchisees through its subsidiary, SAP Insurance, Inc. The program covers franchisee claims up to \$10 million per incident. On November 1, 2010, the Company created SAP Insurance, Inc., a captive insurance company, to administer the Company's insurance program. SAP Insurance Inc. acts as a reinsurance company for a third-party insurance company that handles claims administration and payments. Under the reinsurance contract between SAP Insurance, Inc. and the third-party insurance company, SAP Insurance, Inc. reimburses the third-party insurance company for claims paid, up to a maximum of \$250,000 per claim. Any claim that exceeds \$250,000 is paid by the third-party insurance company, up to a maximum of \$2 million. Claims that exceed \$2 million, up to a maximum of \$10 million, will be covered by an umbrella policy secured by SAP Insurance, Inc.

Prior to November 1, 2010, SAP Corp., also a subsidiary of the Company, administered the Company's insurance program. It obtained reinsurance to cover claims between \$250,000 and \$10 million from two carriers for the underlying claims and umbrella coverages.

Premiums are collected by the Company from franchisees through its monthly franchise billing process and passed directly to SAP Insurance, Inc. SAP Insurance, Inc. records revenue at the value it receives from the third-party insurance company under the reinsurance contract. Recorded costs include actual claims paid per the reinsurance agreement, claims reported but not yet paid and an estimate of claims incurred but not reported.

*Leasing* – The Company leases fitness equipment to certain franchisees, generally over a term of five years. The leases contain a bargain purchase option and otherwise meet the criteria for a direct financing lease as outlined in ASC 840, *Leases*. Financing income is recorded over the lease term to produce a constant periodic rate of return on the net investment in the lease.

**Snap Fitness, Inc.**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – CONTINUED**

**December 31, 2012 and 2011**

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued**

Advertising

Advertising costs are charged to cost of revenues and operating expense as incurred. Advertising costs charged to cost of revenues totaled \$3,087,000 and \$3,219,000 for the years ended December 31, 2012 and 2011 and costs charged to operating expenses totaled \$6,000 and \$49,000 for the years ended December 31, 2012 and 2011. Costs charged to cost of revenue include cost of advertising materials sold to newly opened clubs, marketing and advertising expenses for corporate-owned clubs in addition to design costs and ad materials for the advertising fund.

Foreign Currency Translation

Snap Fitness of Canada and Snap Development of Canada utilize the Canadian dollar as their functional currency, Snap Fitness (India) utilizes the Indian Rupee as its functional currency, Snap Fitness Australia utilizes the Australian dollar as its functional currency, Snap Fitness New Zealand utilizes the New Zealand dollar as its functional currency, Snap Fitness UK utilizes the British Pound as its functional currency and Snap Fitness Mexico utilizes the Mexican Peso as its functional currency. Accordingly, assets and liabilities denominated in foreign currencies are translated using the exchange rate in effect at the balance sheet date and revenues and expenses are translated at the average foreign exchange rates in effect for the period. Translation gains and losses relating to the foreign currencies are reflected as a component of accumulated other comprehensive loss in stockholders' equity in the consolidated balance sheet.

Income Taxes

The Company provides for income taxes utilizing the liability method recognizing taxes payable or refundable for the current year and deferred tax liabilities and assets for the future tax consequences of events that have been recognized in the Company's financial statements or tax returns.

Deferred tax assets and liabilities are measured using enacted tax rates in effect for the year in which temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in the period when the new rate is enacted.

The impact of an uncertain tax position taken or expected to be taken on an income tax return is recognized in the financial statements at the largest amount that is more-likely-than-not to be sustained upon audit by the relevant taxing authority. An uncertain income tax position will not be recognized in the financial statements unless it is more likely than not of being sustained. The Company elects to recognize interest and penalties related to unrecognized tax benefits in the provision for income taxes.



Snap Fitness, Inc.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – CONTINUED

December 31, 2012 and 2011

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

Use of Estimates

Preparing consolidated financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Subsequent Events

The Company has evaluated its consolidated financial statements for subsequent events through March 15, 2013, the date the financial statements were available to be issued. The Company is not aware of any subsequent events which would require recognition or disclosure in the consolidated financial statements, except as disclosed in Note K.

NOTE B – ACQUISITIONS

*Franchise Acquisitions*

During 2012 and 2011, the Company acquired the assets of twenty nine and seven Snap Fitness franchises, respectively. The acquisitions were made to expand the Company's portfolio of corporate-owned clubs and were accounted for using the purchase method of accounting. The consideration transferred is outlined as follows:

	<u>2012</u>	<u>2011</u>
Cash paid	\$10,615,000	\$566,000
Liabilities of the seller paid at closing	<u>1,703,000</u>	<u>176,000</u>
Total consideration transferred	<u>\$12,318,000</u>	<u>\$742,000</u>

The fair value of the assets acquired resulted in the following initial purchase price allocation, which is subject to change for one year:

<u>Purchase Price Allocation</u>	<u>2012</u>	<u>2011</u>
Property and equipment	\$ 2,940,000	\$405,000
Goodwill	4,973,000	-
Reacquired franchise rights	4,405,000	333,000
Deposits	<u>-</u>	<u>4,000</u>
	<u>\$12,318,000</u>	<u>\$742,000</u>

*Related Party Franchise Acquisitions*

**Snap Fitness, Inc.**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – CONTINUED**

**December 31, 2012 and 2011**

**NOTE B – ACQUISITIONS**

The Company acquired the assets of one Snap Fitness franchise owned by the Company's President on May 1, 2011 and one owned by a member of the President's family on April 29, 2011. The acquisitions were made to expand the Company's portfolio of corporate-owned stores and were accounted for using the purchase method of accounting. The Company paid a total of \$365,000 cash for the two franchises. The fair value of the assets acquired resulted in allocating \$123,000 to property and equipment and the remaining \$242,000 to reacquired franchise rights.

*Kosama Acquisition*

As described in Note A, Kosama Holdings, LLC acquired substantially all of the assets of Kosama, Inc. ("Kosama") on January 3, 2012 (the "Closing Date"). The results of the Kosama operations have been included in the consolidated financial statements since that date. As a result of the acquisition, the Company sells franchises to operate group exercise fitness centers under the name "Kosama," and provides services to its franchisees.

The purchase price was comprised of an initial down payment on the Closing Date and an earn-out payment at any time, at the option of Kosama Holdings, LLC, following the 30 month anniversary of the Closing Date, but in no event later than the 60 month anniversary of the Closing Date. The initial down payment was \$113,000, which was comprised of a maximum payment of \$300,000, less \$187,000 in credits for deposits, down payments and prepaid fees collected by Kosama, Inc. from customers and franchisees. The amount of the earn-out payment will be equal to four times earnings before interest, taxes, depreciation and amortization of Kosama Holdings, LLC for the 12 calendar months prior to the valuation date as defined in the agreement. The aggregate purchase price was \$4,530,000, which is the cash consideration given plus the fair value of the contingent consideration expected to be paid following the 30 month anniversary of the Closing Date.

The acquisition was accounted for using the purchase method of accounting. The purchase price has been allocated to the assets and liabilities acquired based on fair value. The following table summarizes the estimated fair value of the assets acquired and the liabilities assumed at the date of acquisition:

Purchase Price Allocation

Contractual franchisee relationships	\$ 960,000
Non-contractual franchisee relationships	420,000
Goodwill	3,336,000
Deferred revenue	(197,000)
Deposits	<u>11,000</u>
	<u>\$4,530,000</u>

**Snap Fitness, Inc.**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – CONTINUED**

**December 31, 2012 and 2011**

**NOTE B – ACQUISITIONS – Continued**

Contractual franchisee relationships represent the discounted cash flows attributable to the initial term of the franchise agreements signed as of the acquisition date. The fair value was determined based on the present value of estimated net cash flows over the average remaining initial franchise term, using a discount rate of 31.1%.

Non-contractual franchisee relationships represent the discounted cash flows attributable to any renewal periods after the initial term for the franchise agreements signed as of the acquisition date. The fair value was determined based on the present value of estimated net cash flows over the average number of renewal periods, using a discount rate of 31.4%.

At December 31, 2012, the Company revalued the contingent consideration payable using the same methodology that was used at the acquisition date. Due to changes in expected cash flows for the acquired business after the acquisition date, the acquisition payable was reduced to zero, recorded as a component of operating expense, as of December 31, 2012. In addition, the Company determined that the franchise relationship assets and goodwill were fully impaired at December 31, 2012 and reduced these assets to zero, recorded as a component of operating expense. The net loss on the initial investment of \$300,000 is included as a component of depreciation and amortization in the Consolidated Statements of Cash Flows for the year ended.

**NOTE C – EQUITY TRANSACTIONS AND BUSINESS COMBINATION**

Prior to May 2008, the Company's President was the sole stockholder, holding 5,000 shares of common stock out of the total authorized shares of 1,000,000. In May 2008, the Company effected an equity recapitalization whereby the authorized amount of common stock was increased to 400,000,000 shares, no par value, and 100,000,000 shares of Series A Preferred Stock, no par value (Series A Preferred). The 5,000 shares of common stock issued and outstanding was cancelled. In consideration for such cancellation, the Company issued 61,200,000 shares of common stock and 40,000,000 shares of Series A Preferred to the Company's President.

In May 2008, several investment funds sponsored by Summit Partners acquired shares of the outstanding Series A Preferred from the Company's President for \$1.00 per share, as well as 650,000 additional Series A Preferred shares from the Company. An additional 150,000 shares of the Series A Preferred were acquired from the Company by another unrelated investor. Total proceeds to the Company for the 800,000 shares of Series A Preferred sold was \$800,000.

Snap Fitness, Inc.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – CONTINUED

December 31, 2012 and 2011

NOTE C – EQUITY TRANSACTIONS AND BUSINESS COMBINATION – Continued

The Series A Preferred provide preferences for payment of dividends and with respect to liquidation or dissolution of the Company. The liquidation preference is equal to the original purchase price of the stock. The Series A Preferred shares are convertible at any time, at the option of the holder, into shares of common stock at a ratio of \$1.00 of common stock for each preferred share. The conversion rate is adjusted periodically upon additional sales of common stock or issuance of options, warrants, and other rights to common stock. Upon a liquidation event, as defined, the holders of the Series A Preferred are entitled to be paid out of the assets of the Company an amount equal to the original purchase price of the outstanding Series A Preferred before any distribution may be made with respect to the common stock or any other class of capital stock. After such amount is paid to the Series A Preferred holders, they will participate with holders of the common stock on a pro-rata basis as if they had converted their shares prior to the liquidation event.

Stock Options

The Company's 2008 Stock Option Plan has 5,368,421 shares of common stock available for issuance. Under its terms, employees and directors of the Company are eligible to receive non-qualified and incentive stock options. All outstanding options vest only upon a liquidity event, as defined by the Plan. As of December 31, 2012, a liquidity event has not occurred and it is unknown if one will occur within the next 12 months, thus no compensation expense has been recorded. The options have a contractual life of 10 years.

A summary of the Company's stock option activity is presented below:

	<u>Available for grant</u>	<u>Number of shares</u>	<u>Weighted-average exercise price</u>	<u>Weighted- average remaining contractual life</u>
Outstanding at December 31, 2010	3,510,921	1,857,500	\$1.00	8.41
Granted	(2,385,000)	2,385,000	\$1.00	
Forfeited	<u>180,000</u>	<u>(180,000)</u>	\$1.00	
Outstanding at December 31, 2011	1,305,921	4,062,500	\$1.00	8.45
Granted	(135,000)	135,000	\$1.00	
Forfeited	<u>1,162,500</u>	<u>(1,162,500)</u>	\$1.00	
Outstanding at December 31, 2012	<u>2,333,421</u>	<u>3,035,000</u>	\$1.00	7.60

**Snap Fitness, Inc.**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – CONTINUED**

**December 31, 2012 and 2011**

**NOTE D – RELATED PARTY TRANSACTIONS**

The Company sold products and provided services to clubs owned by the Company's President and a member of the President's family. The Company also purchased merchandise and professional services from a company owned by a member of the President's family. A summary of these transactions are as follows:

	<u>2012</u>	<u>2011</u>
Continuing franchise fees	\$106,000	\$131,000
Merchandise purchased	425,000	699,000
Amounts due to related parties included in accounts payable	54,000	221,000
Print rebates	182,000	80,000

In 2011, the Company purchased one franchise location from the Company's President and one franchise location owned by a member of the President's family (see Note B).

The Company leases its corporate office and one corporate owned club from an entity owned by the Company's President (see Note I).

The Company has a promissory note due to the Company's President from nine franchise locations purchased in 2009 in the amount of \$1,919,000. The promissory note requires monthly payments in the amount of \$17,000, including interest of 6%, over 107 months using a 287-month amortization table and a balloon payment in the 107<sup>th</sup> month (July 2018). The amount outstanding as of December 31, 2012 and 2011 was \$1,584,000 and \$1,689,000. As of December 31, 2012, the future principal payments for the note payable to stockholder are as follows:

<u>Year ending December 31,</u>	<u>Amount</u>
2013	\$112,000
2014	119,000
2015	126,000
2016	134,000
2017	142,000
Thereafter	951,000

**Snap Fitness, Inc.**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – CONTINUED**

**December 31, 2012 and 2011**

**NOTE E – INSURANCE ACTIVITIES**

Insurance revenue is comprised of the following for the years ended December 31:

	<u>2012</u>	<u>2011</u>
Insurance premiums earned from franchisees	\$ 656,000	\$ 503,000
Insurance premiums ceded	<u>(268,000)</u>	<u>(181,000)</u>
Insurance revenues, net	388,000	322,000
Premiums earned from reinsurance	<u>1,212,000</u>	<u>1,141,000</u>
Total insurance revenue, net	<u>\$1,600,000</u>	<u>\$1,463,000</u>

The liability for insurance claims as of December 31, 2012 and 2011 was \$1,417,000 and \$770,000 and is included as a component of accrued expenses.

**NOTE F – FINANCING RECEIVABLES**

Financing receivables represent direct financing leases resulting from the Company financing equipment for certain franchisees. These receivables are typically paid over five years and are usually collateralized by a security interest in the underlying assets. The Company also advances funds to their franchisees as notes receivable that are typically paid between one and four years. The components of net financing receivables are as follows:

	<u>2012</u>	<u>2011</u>
Minimum lease payments receivable	\$ 907,000	\$1,802,000
Notes receivable	473,000	105,000
Unearned income	<u>(268,000)</u>	<u>(355,000)</u>
Total financing receivables	1,112,000	1,552,000
Allowance for credit losses	<u>(12,000)</u>	<u>(24,000)</u>
Financing receivables, net	1,100,000	1,528,000
Less current portion	<u>(304,000)</u>	<u>(535,000)</u>
Long-term financing receivables, net of current portion	<u>\$ 796,000</u>	<u>\$ 993,000</u>

Snap Fitness, Inc.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – CONTINUED

December 31, 2012 and 2011

NOTE F – FINANCING RECEIVABLES – Continued

As of December 31, 2012, scheduled maturities of the minimum lease payments receivable, net, are as follows:

<u>Year ending December 31,</u>	<u>Amount</u>
2013	\$304,000
2014	299,000
2015	222,000
2016	177,000
2017	99,000
Thereafter	11,000

The activity in the allowance for credit losses for financing operations during the year ended December 31, 2012 and 2011 is as follows:

	<u>2012</u>	<u>2011</u>
Balance at beginning of period	\$ 24,000	\$ -
Provision charged to expense (income)	(12,000)	24,000
Balance at end of period	<u>\$ 12,000</u>	<u>\$24,000</u>

The Company's investment in direct financing leases ("financing receivables") and allowance for credit losses by loss evaluation methodology are as follows:

	<u>December 31, 2012</u>		<u>December 31, 2011</u>	
	<u>Financing receivables</u>	<u>Allowance for credit losses</u>	<u>Financing receivables</u>	<u>Allowance for credit losses</u>
Collectively evaluated for loss potential	\$1,112,000	\$12,000	\$1,552,000	\$24,000
Individually evaluated for loss potential	-	-	-	-
	<u>\$1,112,000</u>	<u>\$12,000</u>	<u>\$1,552,000</u>	<u>\$24,000</u>

The Company's key credit quality indicator for its financing receivables is the status of the lease, defined as accruing or non-accruing. Leases that are accruing income are considered to have a lower risk of loss. Non-accrual leases are those that the Company believes have a higher risk of loss. As of December 31, 2012 and 2011 all leases were accruing income. Delinquent balances are determined based on the contractual terms of the lease.

Snap Fitness, Inc.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – CONTINUED

December 31, 2012 and 2011

**NOTE G – EQUIPMENT NOTES PAYABLE**

The Company entered into four and five term notes in 2012 and 2011, respectively, to finance equipment of corporate-owned stores. The notes are secured by the specific equipment financed. The notes require monthly installments of principal plus interest. The term notes consist of the following as of December 31, 2012:

<u>Origination date</u>	<u>Principal amount</u>	<u>Maturity date</u>	<u>Interest rate</u>	<u>Commencing date</u>	<u>Outstanding balance</u>
February 2011	\$ 968,000	April 1, 2015	4.47%	April 1, 2011	\$ 567,000
April 2011	804,000	May 31, 2015	3.95%	June 1, 2011	501,000
August 2011	931,000	September 30, 2015	3.94%	October 1, 2011	525,000
October 2011	925,000	December 31, 2015	4.13%	January 1, 2012	690,000
December 2011	957,000	December 31, 2015	4.25%	January 1, 2012	732,000
February 2012	1,205,000	April 1, 2016	4.25%	May 1, 2012	995,000
May 2012	1,295,000	May 1, 2016	3.47%	June 1, 2012	1,117,000
July 2012	1,175,000	August 1, 2016	3.53%	August 1, 2012	1,060,000
August 2012	1,062,000	August 1, 2016	3.43%	September 1, 2012	<u>978,000</u>
					7,165,000
Less current maturities					<u>(2,249,000)</u>
					<u>\$ 4,916,000</u>

Aggregate maturities of equipment notes payable are as follows:

<u>Year ending December 31,</u>	<u>Amount</u>
2013	\$2,249,000
2014	2,323,000
2015	1,999,000
2016	594,000

Interest expense was \$361,000 and \$197,000 for the years ended December 31, 2012 and 2011, including interest to related parties of \$99,000 and \$105,000.

**NOTE H – CREDIT AGREEMENT**

On October 29, 2012, the Company entered into a credit agreement with a bank. The credit agreement allows for borrowings up to \$15,000,000 with an option to borrow an additional \$5,000,000. The agreement expires on June 30, 2015.



**Snap Fitness, Inc.**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – CONTINUED**

**December 31, 2012 and 2011**

**NOTE H – CREDIT AGREEMENT – Continued**

Borrowings under the revolving line of credit accrue interest at LIBOR plus an applicable margin based on the Company's leverage ratio. Commencing December 31, 2012 and continuing in the last day of each fiscal quarter, the aggregate outstanding principal balance of the revolving line of credit, rounded to the nearest \$10,000, will be converted to a term note. At December 31, 2012, the outstanding balance of the term note payable was \$6,580,000 with interest at 1.96 percent. Monthly payments of \$110,000 are due until the maturity date of June 30, 2015, when the remaining balance is due. In addition, there was \$8,000 remaining on the revolving line of credit at December 31, 2012. Future maturities of the term note payable are as follows:

<u>Year ending December 31,</u>	<u>Amount</u>
2013	\$1,320,000
2014	1,320,000
2015	3,940,000

The credit agreement is secured by substantially all assets of the Company and contains certain covenants that the Company must meet at all times. The Company was in compliance with such covenants as of December 31, 2012. The Company incurred loan financing costs of \$88,000, which are being amortized over the term of the credit agreement. Amortization expense for the year ended December 31, 2012 was \$5,000.

**NOTE I – COMMITMENTS AND CONTINGENCIES**

Capital Leases

The Company has two capital leases for equipment which expire in 2013. Total minimum lease payments required under capital lease for the year ending December 31, 2013 are \$89,000 of which \$2,000 represents interest. Capital lease obligations at December 31, 2012 are \$87,000.

Equipment includes \$423,000 and \$422,000 of assets under capital lease with accumulated amortization of \$300,000 and \$316,000 at December 31, 2012 and 2011, respectively.

Operating Leases

The Company leases its corporate office space from a related entity, with the lease expiring in 2027. The current lease agreement calls for minimum base rent, including escalating payments as well as association dues and real estate taxes. The Company leases one of its corporate owned clubs from a related entity, with the lease expiring in 2014. The remaining corporate owned clubs are leased from unrelated parties with various expiration dates through August 2021. The Company accounts for rent payments on a straight-line basis over the term of the lease. Two additional leases, which began in 2009, are personally guaranteed by the President.

Snap Fitness, Inc.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – CONTINUED

December 31, 2012 and 2011

NOTE I – COMMITMENTS AND CONTINGENCIES – Continued

Estimated future minimum rental payments plus common area charges are as follows:

<u>Year ending December 31,</u>	<u>Amount</u>
2013	\$4,973,000
2014	4,872,000
2015	4,272,000
2016	3,381,000
2017	1,969,000
Thereafter	5,662,000

Total rent expense for the years ended December 31, 2012 and 2011 was \$4,313,000 and \$2,245,000, including rent expense to related parties of \$471,000 and \$456,000, respectively.

Litigation

The Company is involved in legal proceedings arising in the ordinary course of business. Although the outcome of these proceedings cannot presently be determined, in the opinion of management, disposition of these proceedings will not have a material adverse effect on the financial position or results of operations of the Company.

Franchisee Equipment Guarantee

In 2009, the Company, in an effort to increase sales of new franchise locations, established a franchise financing program with a third party lender. As of December 31, 2012, the Company has guarantees of certain franchisee's loans relating to equipment used within their Snap Fitness club. The term of the agreement is ongoing unless suspended by another agreement or terminated by both parties. If the franchisee remains delinquent on payments for 65 consecutive days, the Company is required to cure the payment defaults under the applicable lease or buy back the equipment subject to the lease. The guarantee buyback is 45% or 65% of the depreciated value of the removable assets included in the standard Snap Fitness equipment package based on a 20% per year depreciation rate. The estimated maximum potential future payments as of December 31, 2012 are \$1,721,000. The Company currently has no liability recorded in its consolidated financial statements for the guarantor's obligation under the guarantees because the Company expects the equipment obtained in the case of default would have value in excess of the Company's obligation. As of December 31, 2012, no franchisees are in default under this program.

**Snap Fitness, Inc.**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – CONTINUED**

**December 31, 2012 and 2011**

**NOTE I – COMMITMENTS AND CONTINGENCIES – Continued**

Insurance and Claims

Effective November 1, 2010, the Company formed a wholly-owned captive insurance company that is used for the franchisee insurance program described in Note A. Insurance coverage is maintained for per-incident and cumulative liability losses in amounts the Company considers sufficient based upon ongoing review. The Company provides currently for its share of estimated losses. In connection with insurance carriers and regulatory authorities, as of December 31, 2012 and 2011, the Company maintains restricted cash to guarantee settlement of claims in the amounts of \$1,966,000 and \$2,034,000, respectively. Should the captive experience losses greater than expected over an extended period, they could have an adverse impact on the operating results of the Company.

**NOTE J – INCOME TAXES**

During 2007, the Company filed an election to be treated as a Small Business Corporation (Subchapter S) whereby income taxes on Company earnings would be payable personally by the stockholder. This election was approved by the IRS during 2008, after the completion of the Company's 2007 financial statements, and the Company filed its 2007 income tax returns in accordance with the provisions of Subchapter S. In connection with the equity transactions described in Note C, the Company's election under Subchapter S was terminated effective May 23, 2008, and the Company began again to provide for income tax expense in its financial statements.

The following table shows the components of deferred tax assets and liabilities as of December 31:

	<u>2012</u>	<u>2011</u>
Deferred tax assets		
Deferred revenue	\$ 397,000	\$ 483,000
Accruals and reserves	<u>300,000</u>	<u>34,000</u>
Total deferred tax assets	<u>\$ 697,000</u>	<u>\$ 517,000</u>
Deferred tax liabilities		
Depreciation and amortization	\$2,348,000	\$ 2,100,000
Prepaid expenses	22,000	76,000
Other	<u>53,000</u>	<u>44,000</u>
Total deferred tax liability	<u>2,423,000</u>	<u>2,220,000</u>
Total net deferred tax liability	<u><u>\$(1,726,000)</u></u>	<u><u>\$(1,703,000)</u></u>

**Snap Fitness, Inc.**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – CONTINUED**

**December 31, 2012 and 2011**

**NOTE J – INCOME TAXES – Continued**

Income taxes consists of the following for the years ended December 31:

	<u>2012</u>	<u>2011</u>
Current income tax expense	\$2,999,000	\$ 923,000
Deferred income tax expense	<u>23,000</u>	<u>1,803,000</u>
Income tax expense	<u>\$3,022,000</u>	<u>\$2,726,000</u>

The Company's effective income tax rate does not materially differ from the statutory income tax rate.

The total amount of unrecognized tax benefits and related penalties and interest is not material as of December 31, 2012. Therefore no amounts related to uncertain tax positions, penalties or interest have been recorded in the financial statements. The Company does not have any current audits in process. The Company is currently open to audit under the statute of limitations by the Internal Revenue Service and the appropriate state income taxing authorities from 2009 to 2011.

**NOTE K – SUBSEQUENT EVENT**

On January 1, 2013 (the "Closing Date"), the Company acquired the shares of Jeanart Pty Limited and NZ 24/7 Limited for a total purchase price of 10,150,000 Australian Dollars (\$10,526,000). The Company paid 4,000,000 Australian Dollars (\$4,148,000) on the Closing Date and the remaining 6,150,000 Australian Dollars (\$6,378,000) will be paid at the earlier of March 1, 2014 or a liquidity event, as defined by the purchase agreement.

Jeanart Pty Limited and NZ 24/7 Limited were formed by the area developers that market the Snap Fitness franchises in Australia and New Zealand. The Company acquired these shares in order to take back the full revenue streams for these expanding territories.



**Grant Thornton**

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***EXHIBIT C***  
**FRANCHISE AGREEMENT AND STATE ADDENDA**



## Franchise Agreement Summary Page

### Franchisee Information:

Complete Business Name: \_\_\_\_\_

Principal Owner(s): \_\_\_\_\_ %

(25% or more ownership, direct or indirect)

Full Name

Percentage Interest

%

%

Full Name

Percentage Interest

%

Full Name

Percentage Interest

%

Full Name

Percentage Interest

Additional Owners: \_\_\_\_\_ %

(less than 25% ownership)

Full Name

Percentage Interest

%

%

Full Name

Percentage Interest

Address for Notices (not a P.O. Box): \_\_\_\_\_

Telephone No.: \_\_\_\_\_

Facsimile No.: \_\_\_\_\_

Mobile Phone: \_\_\_\_\_

Email Address: \_\_\_\_\_

Preliminary Designated Area:

Up to \_\_ driving miles from \_\_\_\_\_  
(cross-streets or address)

Initial Franchise Fee:

\$19,500

Continuing Fee:

~~\$489~~499 per month\*

National Marketing Fee:

~~\$125~~130 per month\*

Website Fee:

~~\$30~~31 per month\*

\*Subject to increase in accordance with increases in the Consumer Price Index.

See Section 9 for additional fee information.

### To be completed by us:

Effective Date: \_\_\_\_\_

Authorized Location: \_\_\_\_\_

Franchise Number: \_\_\_\_\_

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Attachment H –	Market Accelerator Program Addendum

~~Attachment I~~  
Franchisee Acknowledgment

State Specific Addenda



# SNAP FITNESS® FRANCHISE AGREEMENT

This Franchise Agreement is made between Snap Fitness, Inc., a Minnesota corporation with its principal business located at 2411 Galpin Ct, Suite 110, Chanhassen, MN 55317 (“**we**” or “**us**”), and the Franchisee identified in the Summary Pages (“**you**”), to be effective on the Effective Date identified in the Summary Pages.

## RECITALS

- A. We have developed a proprietary business format and system (“**System**”) for operating a fitness club (“**Club**”) featuring state-of-the-art exercise equipment; 24-hour personal keyless access for members (excepted as restricted by law); online training tools; automated member billing and collection procedures and services; and use of our proprietary and confidential information;
- B. The System includes a distinct interior layout, design, décor, color scheme, graphics, fixtures and furnishings, operating and customer service standards and procedures, advertising and marketing specifications and requirements, and other standards, specifications, techniques and procedures that we designate (collectively, the “**Standards**”).
- C. Clubs operating under the System are identified by the trade name and service mark “SNAP FITNESS” and other trademarks, service marks and trade identifiers that we designate to identify businesses operating under the System (the “**Marks**”).
- D. You have applied for the right to operate a club using the System and Marks, and we have approved your application in reliance on the representations contained therein, including those concerning your financial resources, your business experience and interests, and the manner in which the Club will be owned and operated.

In consideration of the foregoing and the mutual covenants and consideration below, you and we agree as follows:

## DEFINITIONS

- 1. For purposes of this Agreement:
  - A. “**Principal Owner**” means any person who directly or indirectly owns a 25% or greater interest in the franchisee when the franchisee is a corporation, limited liability company or a similar entity other than a partnership entity. If the franchisee is a partnership entity, then each general partner is a Principal Owner, regardless of the percentage ownership interest. If the franchisee is one or more individuals, each individual is a Principal Owner of the franchisee. Each franchisee must have at least one Principal Owner.
  - B. “**Owner**” means any person who directly or indirectly owns and interest in the franchise, including the Principal Owner(s).
  - C. All capitalized terms not defined in this Section or the Recitals have the meaning given in the text of this Agreement.

## GRANT OF LICENSE

- 2. The following provisions control with respect to the license granted hereunder:
  - A. Grant of License. We hereby grant you the right and license, and you undertake the obligation, subject to the terms and conditions of this Agreement (*i*) to operate a single SNAP FITNESS® Club, (*ii*) to sell at retail authorized products and services at and from the Club premises, (*iii*) to use the Marks in connection with operating and promoting the Club, and (*iv*) the right to solicit memberships in the Designated Area. You may not solicit memberships online, in person or through advertising or other direct marketing method outside your Designated Area, except with our prior written approval and in strict accordance with our then-current policies and restrictions (which may include membership assignment policies).

The license granted by this Agreement does not include (i) any right to sell services and products identified by the Marks at any location other than the Authorized Location, or through any other channels or methods of distribution, including the internet (or any other existing or future form of electronic commerce), catalog sales, telemarketing or other direct marketing (ii) any right to sell services and products identified by the Marks to any person or entity for resale or further distribution, or (iii) except for the designated area protection described in Section 2.C., any right to exclude, control or impose conditions on our development of future franchised, company or affiliate owned clubs at any time or at any location.

B. Authorized Location. You must operate the Club only at the location identified, or to be identified on the Summary Page (the “**Authorized Location**”). If the Authorized Location is not known at the time this Agreement is signed, you must acquire an acceptable site for the Club premises no later than 90 days from the Effective Date of this Agreement, at which time you authorize us to insert the Authorized Location on the Summary Page. You must identify a site for the Club that meets our site selection criteria and that is located within the Preliminary Designated Area identified in the Summary Page (see Section 5.A). You may not use the Club premises or Authorized Location for any purpose other than the operation of a SNAP FITNESS® Club during the term of this Agreement.

C. Designated Area. The Preliminary Designated Area identified on the Summary Page, if any, is the general location where you intend to secure a site for the Club. If a Preliminary Designated Area is specified on the Summary Page, we will not grant anyone else the right to develop or operate a Club in the Preliminary Designated Area for 90 days from the Effective Date of this Agreement. Once the Authorized Location has been identified, you hereby authorize us to define in Attachment A a “**Designated Area**” around the Authorized Location; provided that such Designated Area will be substantially the same as the Preliminary Designated Area in terms of size, shape and/or demographics. If the Authorized Location is not within the Preliminary Designated Area, the Designated Area will be defined by us based on our current criteria for size, demographics and topographical features. Once defined in Attachment A, your Designated Area will remain constant throughout the initial term of this Agreement (unless you relocate the club and upon renewal or transfer). During the term of this Agreement, neither we nor our affiliates will develop or operate, or grant to anyone else the right to develop or operate a SNAP FITNESS® Club that is physically located in the Designated Area (other than at Special Sites, as described in Section 2.D). You acknowledge and agree that we and our affiliates have the right to develop and operate and grant others the right to develop and operate SNAP FITNESS® Clubs outside the Designated Area, regardless of their proximity to the Designated Area or any negative impact they may have on your Club. We and our affiliates also have the right to develop and operate and grant others the right to develop and operate fitness clubs and other businesses under a different trademark within and outside the Designated Area which may be similar to or competitive with SNAP FITNESS® Clubs. We will not operate, franchise, or license the operation of a fitness club offering 24/7 keycard access in your Designated Area, except in connection with our acquisition of a multi-unit brand. If we acquire a multi-unit brand (through a stock purchase, asset purchase, merger, or otherwise), we or our affiliate may operate, franchise, or license the operation of the acquired brand within and outside the Designated Area, without offering any rights or compensation to you. You do not have any right to sublicense or sub-franchise within or outside of the Designated Area and under this Agreement you do not have the right to operate more than one Club within the Designated Area without our prior written approval and must sign a separate Franchise Agreement for the second Club.

D. Reserved Rights. We reserve to ourselves all other rights to use the System and Marks anywhere and in any manner including, without limitation, the right to offer, sell or distribute items such as training videos, equipment, athletic gear, etc., associated with the System (now or in the future) or identified by the Marks, or any other trademarks, service marks or trade names, through any distribution channels or methods, without compensation to any franchisee. These distribution channels or methods may include, without limitation, retail stores, mail order, wholesale or the internet (or any other existing or future form of electronic commerce). These rights also include the right to provide and license third parties to provide the

FitnessOnDemand™ program and other ancillary programs developed by or for us or our affiliates at host locations (such as apartments, condo associations, corporate offices, schools, community centers and other gym and fitness centers), within and outside your Designated Area and without compensation to you.

You also acknowledge and agree that certain locations within and outside the Designated Area are by their nature unique and separate in character from sites generally developed as SNAP FITNESS® Clubs. As a result, you agree that the following locations (“**Special Sites**”) are excluded from the Designated Area and we have the right to develop, license or franchise Clubs within such locations: (1) military bases; (2) public transportation facilities, including, without limitation, airports, limited access highway travel plazas and other transportation terminals; (3) sports facilities, including race tracks; (4) student unions or other similar buildings on college or university campuses; (5) hotels, resorts or similar short-term lodging; (6) apartment or condominium complex; and (7) corporate office buildings or office parks.

### TRADEMARK STANDARDS AND REQUIREMENTS

3. You acknowledge and agree that the Marks are our property. You further acknowledge that your right to use the Marks is specifically conditioned upon the following:

A. Ownership of the Marks. The Marks are our valuable property, and we are the owner of all right, title and interest in and to the Marks and all past, present or future goodwill of the Club and of the business conducted at the Authorized Location that is associated with or attributable to the Marks. Your use of the Marks will inure to our benefit. You may not, during or after the term of this Agreement, engage in any conduct directly or indirectly that would infringe upon, harm or contest our rights in any of the Marks or the goodwill associated with the Marks, including any use of the Marks in a derogatory, negative, or other inappropriate manner in any media, including but not limited to print or electronic media.

B. Use of the Marks. You may not use, or permit the use of, any trademarks, trade names or service marks in connection with the Club except those listed in Attachment A or except as we otherwise direct in writing. You may use the Marks only in connection with such services and products as we specify and only in the form and manner we prescribe in writing. You must comply with all trademark, trade name and service mark notice marking requirements. You may use the Marks only in association with services and products approved by us and that meet our standards or requirements with respect to quality, safety and performance. You must refrain, and cause each Covered Person (as defined in Section 10.D.1) and each of your employees and independent contractors to refrain from making or publishing any remarks that disparage or derogate us or the SNAP FITNESS brand. This prohibition applies to oral remarks and remarks that are published in print, electronic, and social media. Your use of the Marks on the internet is governed by Section 6.K below. A breach of your obligations under this Section 3.B is a material default under this Agreement.

C. Club Identification. You must use the name “SNAP FITNESS” as the trade name of the Club and you may not use any other mark or words to identify the Club without our prior written consent. You may not use the words “SNAP” or “SNAP FITNESS” or any of the other Marks as part of the name of your corporation, partnership, limited liability company or other similar entity. You may use the Marks on various materials, such as business cards, stationery and checks, provided you (i) accurately depict the Marks on the materials, (ii) include a statement on the materials indicating that the business is independently owned and operated by you, (iii) do not use the Marks in connection with any other trademarks, trade names or service marks unless we specifically approve in writing prior to such use, and (iv) make available to us, upon our request, a copy of any materials depicting the Marks. You must post a prominent sign in the Club identifying you as a SNAP FITNESS® franchisee in a format we deem reasonably acceptable, including an acknowledgment that you independently own and operate the Club and that the SNAP FITNESS® Mark is owned by us and your use is under a license we have issued to you.

D. Litigation. In the event any person or entity improperly uses or infringes the Marks or challenges your use or our use or ownership of the Marks, we will control all litigation and we have the right to

determine whether suit will be instituted, prosecuted or settled, the terms of settlement and whether any other action will be taken. You must promptly notify us of any such use or infringement of which you are aware or any challenge or claim arising out of your use of any Mark. You must take reasonable steps, without compensation, to assist us with any action we undertake. We will be responsible for our fees and expenses with any such action, unless the challenge or claim results from your misuse of the Marks in violation of this Agreement.

E. Changes. You may not make any changes or substitutions to the Marks unless we direct in writing. We reserve the right to change the Marks at any time. Upon receipt of our notice to change the Marks, you must cease using the former Marks and commence using the changed Marks, at your expense.

## TERM AND RENEWAL

4. The following provisions control with respect to the term and renewal of this Agreement:

A. Term. The initial term of this Agreement will commence on the Effective Date and will expire at midnight on the day preceding the tenth anniversary of this Agreement unless this Agreement is sooner transferred in accordance with Section 11 or terminated in accordance with Section 13. Upon your written request, we may extend this initial term in writing for a limited period of time to correspond with the end of a calendar month.

B. Renewal Term and Conditions of Renewal. You may renew your license for unlimited renewal terms (each renewal term is 10 years), provided that with respect to each renewal: *(i)* you have given us written notice of your decision to renew at least six months but not more than 12 months prior to the end of the expiring term; *(ii)* you sign at least six months but not more than 12 months prior to the end of the expiring term, at our option, either (a) our then-current form of franchise agreement, the terms and conditions of which may be materially different than the terms and conditions of our current franchise agreement and may reflect, among other things, different fees and advertising obligations and a modified Designated Area or (b) an instrument extending for the duration of the renewal term, all the covenants, conditions and provisions contained in this Agreement; *(iii)* you have complied with the provisions of Section 5.F regarding modernization and have agreed, in writing, to make such capital expenditures necessary to refurbish, replace and modernize your Club so that it will conform to our then-current standards for Clubs; *(iv)* you are not in default of this Agreement or any other agreement pertaining to the franchise, have satisfied all monetary and material obligations on a timely basis during the term and are in good standing; *(v)* if leasing the Club premises, you have renewed the lease and have provided written proof of your ability to remain in possession of the premises throughout the renewal period; *(vi)* you comply with our then-current training requirements; and *(vii)* you and your Principal Owners and guarantors execute a general release in a form we prescribe in favor of us and our affiliates and each company's respective present and former officers, directors, managers, and employees; provided, however, that such release will not be inconsistent with any state law regulating franchising. There is no renewal fee or initial franchise fee due in connection with any renewal term.

C. Interim Period. If you continue to accept the benefits of this Agreement after the expiration of the initial term but do not complete the requirements in Section 4.B, then at our sole option, this Agreement may be treated as *(i)* expired as of the date of the expiration and you will be operating without a franchise or license to do so and in violation of our rights to the Marks and System; or *(ii)* continued on a month-to-month basis (an "Interim Period") and all your obligations will remain in full force and effect during the Interim Period as if the Agreement had not expired. Each Interim Period expires at the end of each calendar month unless this Agreement is continued as provided in this Section. The Interim Period does not create any new franchise rights and upon expiration of the final Interim Period, you will be bound by all post-term obligations as provided in this Agreement.

## CLUB STANDARDS AND MAINTENANCE

5. You acknowledge and agree that we have the right to establish, from time to time, quality standards regarding the business operations of SNAP FITNESS® clubs to protect the distinction, goodwill and uniformity symbolized by the Marks and the System. Accordingly, you agree to maintain and comply with our quality standards and agree to the following terms and conditions:

A. Site Selection. You must identify a site for the Club within the Preliminary Designated Area that meets our site selection criteria and that we have approved. You must provide us notice of the site you have selected and we have 15 days to accept or reject the site. If we do not accept the site within 15 days it will be deemed disapproved. **The parties acknowledge and agree that our site approval is not an assurance that the Club will achieve a certain sales volume or level of profitability; it means only that the proposed site meets our minimum site selection criteria. We assume no liability or responsibility for (i) evaluation of the location's soil for hazardous substances; (ii) inspection of any structure for asbestos or other toxic or hazardous materials; (iii) compliance with the Americans with Disabilities Act ("ADA"); or (iv) compliance with any other applicable law. It is solely your responsibility to obtain satisfactory evidence and/or assurances that the Club premises (and any structures thereon) is free from environmental contamination and is in compliance with the requirements of the ADA and other applicable laws.**

B. Lease. If you propose to occupy the Club premises pursuant to a lease or sublease ("**Lease**"), the Lease may not prevent you from performing your obligations under this Agreement, and must permit us to exercise our rights pursuant to this Agreement. We may condition our approval of a proposed site on the full execution of a Lease Amendment substantially in the form attached as Attachment E to this Agreement. You must deliver to us a fully executed copy of the Lease as amended by the Lease Addendum within 10 days after its execution. **The parties acknowledge and agree that our approval of a Lease does not mean that the economic terms of the Lease are favorable; it means only that the Lease contains the lease terms that we require.**

C. Construction; Future Alteration. You must construct and equip the Club in strict accordance with our current approved specifications and standards pertaining to equipment, signage, fixtures and design and layout of the building. You must purchase from us or the approved supplier all items contained in our GO FAST™ kit, and pay us the then-current purchase price therefore in accordance with our then-current payment terms. You may not commence construction of the Club until you have received our written consent to your plans. Without limiting the generality of the foregoing, you must promptly after obtaining possession of the site for the Club **(i)** have prepared and submitted for our approval basic plans and specifications consistent with our general design and layout requirements as set forth from time to time in the manuals for a SNAP FITNESS® Club; **(ii)** purchase or lease and then use only the approved equipment, fixtures, furniture and signs; **(iii)** complete the equipment, fixtures, furniture and sign installation and decorating of the Club in full compliance with plans and specifications we approve and all applicable ordinances, building codes and permit requirements without any unauthorized alterations; **(iv)** obtain all necessary permits, licenses and architectural seals and comply with applicable legal requirements relating to the building, signs, equipment and premises, including, but not limited to, the Americans With Disabilities Act; and **(v)** obtain and maintain all required zoning changes, building, utility, sign permits and licenses and any other required permits and licenses. It is your responsibility to comply with the foregoing conditions. Any change to the plans or any replacement, reconstruction, addition or modification in the premises, interior or exterior décor or image, equipment or signage of the Club made after our consent to the initial plans, whether at the request of you, us or a third party, may be made only with our prior written consent.

D. Opening. You must open the Club for business no later than 180 days from the Effective Date. You may not open your Club for business, however, until we have notified you in writing that you have satisfied your pre-opening obligations as identified in Sections 5.A and 5.B and we have approved your opening date.



We are not responsible or liable for any of your pre-opening obligations, losses or expenses you might incur for your failure to comply with these obligations or your failure to open by a particular date. We also are entitled to injunctive relief or specific performance under Section 12.B for your failure to comply with your obligations. Further, if you fail to open the Club in the timeframe required by this Agreement, we may, in our sole and unilateral judgment, (i) exercise our termination rights in accordance with Section 13; or (ii) amend this Agreement to eliminate the Designated Area protection afforded by Sections 2.B and 2.C.

E. Maintenance. The building (exterior and interior), equipment, fixtures, signage and trade dress employed in the operation of your Club must be maintained and refreshed in accordance with our requirements established periodically and any of our reasonable schedules prepared based upon our periodic evaluations of the premises. Within a period of 30 days (as we determine depending on the work needed) after the receipt of any particular report prepared following such an evaluation, you must affect the items of maintenance we designate, including the repair of defective equipment and items such as carpet and/or the replacement of irreparable or obsolete items of equipment and signage. If, however, any condition presents a threat to members or to public safety, you must affect the items of maintenance immediately, as further described in Section 6.E. If you fail to complete the required maintenance, we reserve the right (but no obligation) to do so on your behalf and you must reimburse us for our costs and expenses.

F. Modernization. From time to time as we require, you must modernize and/or replace items of the trade dress or equipment as may be necessary for your Club to conform to the standards for similarly situated new SNAP FITNESS clubs. For instance, we require that you modernize the club within five years of the Effective Date of this Agreement, which will include replacing cardio equipment and other updates and improvements. You may offer your old equipment to anyone, but we have the right of first refusal to buy the equipment on the same terms and conditions as any potential buyer. You must give us seven days' written notice of any potential sale of your old equipment and a reasonable opportunity to match any offer you have that you intend to accept. We are under no obligation to actually exercise our right of first refusal. A transfer of any interest in this Agreement or your business governed by Section 11 or renewal covered by Section 4 is expressly conditioned upon your (or the transferee, as applicable) modernizing the Club to meet to conform to the standards for new SNAP FITNESS Clubs. You acknowledge and agree that the requirements of this Section are both reasonable and necessary to ensure continued public acceptance and patronage of the Club and to avoid deterioration in connection with the operation of your Club. If you fail to make any improvement or perform the maintenance listed above, we may, in addition to our other rights under this Agreement, effect such improvement or maintenance on your behalf and you must reimburse us for the costs we incur.

G. Relocation. You may not relocate your Club without our prior written consent. If you need to relocate because of condemnation, destruction, or expiration or cancellation of your lease for reasons other than your breach, we will grant you authority to do so at a site acceptable to us that is within your Designated Area, is reasonably suited for a Club and does not infringe on the rights of any other Snap Fitness franchisee, provided that the new Club is open and operating within 60 days after you discontinue operation at the present Club, all in accordance with our then-current standards. If you voluntarily decide to relocate the Club, your right to relocate the Club will be void and your interest in this Agreement will be voluntarily abandoned, unless you have given us notice of your intent to relocate not less than 60 days prior to closing the Club, have procured a site within your Designated Area that we accept 15 days prior to such closure, have opened the new Club for business within 24 hours of such closure and complied with any other conditions that we reasonably require. You must pay the costs of any relocation, and we reserve the right to charge you for any reasonable costs that we incur. Upon relocation of your Club for any reason, we may modify your Designated Area, in our sole judgment, to take into account the designated areas of neighboring clubs and other factors.

In the event your Club is destroyed or damaged and you repair the Club at the Authorized Location (rather than relocate the Club), you must repair and reopen the Club at the Authorized Location in accordance with our then-current standards for the destroyed or damaged area within 20 days of the date of occurrence of

the destruction or damage, or such longer time as we reasonably determine, in our sole judgment, is required given the nature and extent of the damage.

We have the right to refuse to consent to a relocation in the event you lose the right to occupy the Club premises because of the termination of your lease due to your breach. Further, the cancellation of your lease due to your breach is grounds for immediate termination under Section 13.B.2.

## PRODUCTS AND OPERATIONS STANDARDS AND REQUIREMENTS

6. You must implement and abide by our requirements and recommendations directed to enhancing substantial System uniformity. The following provisions control with respect to products and operations:

A. Authorized Equipment. You must use in the operation of the Club only the proprietary or non-proprietary equipment that we specify in the Manuals or other written directives. You must purchase or lease all equipment we designate (including the security and door access system, digital media and Technology System described below) from our approved suppliers. We will supply to you a copy of the current equipment list prior to opening of the Club. You acknowledge and agree that we may change the list periodically and that you are obligated to conform to the requirements. Prior to opening your Club to the public, you may seek our approval to add additional equipment at your location. We may approve or disapprove your request to add additional equipment in our sole judgment. You will not be allowed to open or operate the Club with any unapproved equipment.

B. Authorized Products and Services; Memberships. You may offer and sell only approved products and approved services in the Club and must offer for sale the complete range of required products and required services as listed in the approved products and approved services lists, as we may amend from time to time. You must maintain in stock an inventory of approved products sufficient to meet customer demand and as set forth in the manuals for operating a SNAP FITNESS® club. You may not offer, sell or supply any products or services which are not approved products or approved services (including products or services that we have withdrawn), without our prior written consent. You must also conform to all quality and customer service standards we prescribe in writing.

You must sell memberships (“**Memberships**”) only on such terms and conditions as we specify periodically. All Memberships must be evidenced by a written or, if approved or required by us, electronic agreement (“**Membership Agreement**”) and all member and billing information must be promptly and accurately entered into the approved system according to our then-current policies. You must use Membership Agreements that are based on our then-current standard form of Membership Agreement, with the exception, however, that there may be state and local laws that may require you to alter the membership agreement in the jurisdictions under which your club operates – you must abide by those laws. Any changes to the form document must be approved in writing by us. The Membership Agreement must include: (i) a reciprocity provision that permit members from your Club to use other SNAP FITNESS® Clubs and permits another SNAP FITNESS® Club Member to also use your club, (ii) a waiver and release of us and our affiliates and (iii) a statement identifying the Club as an independently-owned franchised location. You must permit members of other SNAP FITNESS® clubs to use your club under such terms and conditions as we may state in writing from time to time. All Membership Agreements and all billings of any type must be processed through us and our approved processing system (which is currently the Technology System described in Section 6.D).

You may only solicit memberships within your Designated Area (unless otherwise authorized by us as stated below). We or other franchisees may solicit memberships within your Designated Area (for example, if designated areas overlap). Unless we have provided prior written approval, all membership sales must be made face-to-face, although you may solicit membership sales by mail, telemarketing (so long as you abide by the no-call lists) or other non-face-to-face basis *within* your Designated Area. You may solicit, advertise and accept memberships online or outside your Designated Area only with our prior written approval or in accordance with our then-current policies. We have the right to prohibit or cancel

memberships you sell that will expire beyond the expiration date of your Term or any exercised renewal term. You are responsible for all refunds or liabilities to your members due to the cancellation of memberships as provided in this paragraph. You must execute the Membership Contract Assignment Agreement in the form attached at Attachment G.

C. Approved Supplies and Suppliers. We will furnish to you from time to time lists of approved supplies or approved suppliers. You must only use approved equipment, products, fixtures, signs, advertising materials, trademarked items and other items (collectively, “approved supplies”) in the Club as listed in the approved supplies and approved suppliers lists, as we may amend from time to time. Although we do not do so for every item, we have the right to approve the manufacturer of approved supplies. You acknowledge and agree that certain approved supplies may only be available from one source, and we or our affiliates may be that source. You will pay the then-current price in effect for approved supplies you purchase from us or our affiliates. All inventories, products, operating forms, materials and other items and supplies used in the operation of the Club must be purchased from approved suppliers and any items not included on the approved supplies or approved suppliers list must conform to the specifications and standards we establish from time to time. **ALTHOUGH APPROVED BY US, WE AND OUR AFFILIATES MAKE NO WARRANTY AND EXPRESSLY DISCLAIM ALL WARRANTIES, INCLUDING WARRANTIES OF MERCHANTABILITY AND FITNESS FOR ANY PARTICULAR PURPOSE, WITH RESPECT TO PRODUCTS, EQUIPMENT (INCLUDING WITHOUT LIMITATION AND ANY REQUIRED TECHNOLOGY SYSTEMS), SUPPLIES, FIXTURES, FURNISHINGS OR OTHER APPROVED ITEMS.**

D. Technology System. You must purchase and use any technology system that we develop or select for the Club or System, including all future updates, supplements and modifications (the “**Technology System**”). The Technology System may include all hardware and software used in the operation of the Club, including (i) all computer hardware and related accessories and peripheral equipment for video surveillance, door access, digital media and telephone systems and (ii) the billing, electronic point-of-sale cash registers, club management and back office programs used to record, analyze and report sales and Club operations. Requirements for use may include, among other things, connection to remote servers, off-site electronic repositories, and high speed Internet connections, and establishment of one or more e-mail accounts.

You must: (i) use any proprietary software programs, system documentation manuals, and other proprietary materials that we provide to you in connection with your operation of the Club; (ii) input and maintain in your computer such data and information as we prescribe in the Manual and other written directives; (iii) purchase new or upgraded software programs, system documentation manuals, and other proprietary materials at then-current prices whenever we adopt such new or upgraded programs, manuals, and materials system-wide. You must enter into all software license agreements, “terms of use” agreements, and software maintenance agreements, in the form and manner we prescribe, and pay all fees imposed by us, our affiliate or any third party software and software service providers there under.

You acknowledge that we may independently access from a remote location, at any time, all information input to and compiled by your Technology System (including video surveillance equipment) or an off-site server, including Member Information.

You acknowledge that technology is ever changing and that, as technology or software is developed in the future, we may, in our sole discretion, require you to: (i) add to your Technology System memory, ports, and other accessories or peripheral equipment or additional, new, or substitute software; and (ii) replace or upgrade your Technology System and software as we prescribe.

We reserve the right to designate a single source from whom you must purchase the Technology System, including video surveillance equipment.

E. Evaluations. We or our authorized representative have the right to enter your Club at all reasonable times when the Club is open to the public for the purpose of making periodic evaluations and to ascertain if



the provisions of this Agreement are being observed by you, to inspect and evaluate your premises, equipment and member satisfaction. Our inspections and evaluations may include a “mystery shopper” program. If we determine that any condition in the Club presents a threat to members or public health or safety, we may take whatever measures we deem necessary, including requiring you to immediately close the Club until the situation is remedied to our satisfaction.

F. Period of Operation. Subject to any contrary requirements of state or local law, your Club must be opened to the public and operated 24 hours each day of the year. Any variance from this provision must be authorized by us in writing. You acknowledge and agree that if your Club is closed for a period of two consecutive days or five or more days in any 12-month period without our prior written consent, such closure constitutes your voluntary abandonment of the franchise and business and we have the right, in addition to other remedies provided for herein, to terminate this Agreement.

G. Operating Procedures. You must adopt and use as your continuing operational routine the required standards, procedures, methods of operation and management and security systems described in our operations manual or other written directives, including, but not limited to, system newsletters or bulletins that may be sent to all franchisees from time to time (collectively, “**Manual**”). We will revise the Manual and these standards and systems periodically to meet changing conditions of operation and we will send out system newsletters and bulletins from time to time.

The Manual is currently available through electronic access on the franchisee portal we maintain. The Manual at all times is our sole property. You must at all times treat the Manual, and the information it contains, as secret and confidential, and must use all reasonable efforts to maintain such information as secret and confidential. You will be required to sign a confidentiality agreement at the time of access. We may from time to time revise the contents of the Manual and you expressly agree to comply with each new or changed requirement. You acknowledge and agree that the Manual and other system communications may only be available on the Internet or other online or computer communications.

H. Confidential Information. You may not, during the term of this Agreement or thereafter, communicate, divulge or use for the benefit of any other person or entity any Confidential Information, except to such employees as must have access to it in order to operate the Club. For purposes of this Agreement, “**Confidential Information**” means and includes, without limitation, all member information and information concerning prospective and former members (collectively, “**Member Information**”), and all proprietary information contained in the Manual or otherwise communicated to you in writing, verbally or through the internet or other online or computer communications, and any other knowledge or know-how concerning the methods of operation of the Club. You hereby acknowledge and agree that all Confidential Information, including Member Information, belongs exclusively to us. You and each Principal Owner agree to maintain the confidentiality of all Confidential Information, including Member Information, not to duplicate any materials containing Confidential Information, including Member Information, and not to divulge any Confidential Information, except to other franchisees and to your employees and professional advisors on a need to know basis. You may use the Confidential Information, including Member Information, only for the purpose of operating the Club. This provision will survive expiration of this Agreement.

You must cause your general manager and any employee with access to Confidential Information, including Member Information, to sign a nondisclosure and confidentiality agreement in a form satisfactory to us. You must provide a copy of each such agreement to us upon our request.

I. Compliance with Standards and Specifications; Participation in Joint Advertising Campaigns and Endorsements. You further agree to comply with all System specifications, standards and operating procedures (whether contained in the Manual or any other written communication) relating to the appearance, function, cleanliness, operation and promotion of a SNAP FITNESS® Club including, without limitation (i) sales and marketing procedures and customer service; (ii) advertising and promotional programs; (iii) member loyalty and rewards programs; (iv) layout, décor and color scheme of the Club; (v)

appearance and dress of employees; (vi) safety, maintenance, appearance, cleanliness, sanitation, standards of service, and operation of the Club; (vii) submission of requests for approval of brands of products, supplies and suppliers; (viii) use and illumination of signs, posters, displays, standard formats and similar items; (ix) use of audio equipment and type and decibel levels of music; (x) use of video equipment and type and decibel level of television broadcasts (including closed captioning requirements); (xi) types of fixtures, furnishings, and equipment; and (xii) the make, type, location and decibel level of any game, entertainment or vending machine (and restrictions against the use of gaming, entertainment or vending machines).

From time to time, we and our affiliates also may participate in and require your participation in joint advertising campaigns and endorsement of third party products or services (which participation may include, among other things, broadcasting audio-visual advertising on in-Club televisions or computer monitors and/or placing promotional items at prescribed locations throughout the Club). You agree to participate in all such campaigns and endorsements according to our directives, provided that we will provide you all promotional items necessary for participation free of charge. You further acknowledge and agree that we or our affiliates may receive revenue, and may retain all revenue received, on account of your participation and other franchisee's participation in such campaigns and endorsements.

J. Compliance with Law; Licenses and Permits. You have an obligation, both prior to and after purchasing the franchise, to review the laws of the area in which you will be operating to determine what statutes, regulations, ordinances, or other laws may have an impact on your ability to operate the franchise. We are not responsible for reviewing the laws, and we make no representation or warranty (express or implied) that the System we have developed complies with the laws of your particular area. You represent and agree that you have conducted a review of the potentially-applicable laws and that you have provided to us, in writing, a statement of all legal issues that you feel may have a significant impact on your ability to follow the system or to operate your business. You must at all times maintain your premises and conduct your Club operations in compliance with all applicable laws, regulations, codes and ordinances including, without limitation, (i) all governmental regulations relating to sales, advertising and membership cancellation rights of health club memberships, and all bonding requirements, (ii) all governmental regulations relating to tanning (where applicable), and (iii) all applicable laws pertaining to the privacy of consumer, employee and transactional information ("Privacy Laws"). If there is a conflict between our standards and policies and actual applicable law, you must comply with the requirements of applicable law, immediately give us notice of said conflict and promptly and fully cooperate with us and our counsel in determining the most effective way, if any, to meet our standards and policies within the bounds of applicable law. You must secure and maintain in force all required licenses, permits and certificates relating to your Club. You acknowledge that you are an independent business and responsible for control and management of your Club, including, but not limited to, the hiring and discharging of your employees and setting and paying wages and benefits of your employees. You acknowledge that we have no power, responsibility or liability in respect to the hiring, discharging, setting and paying of wages or related matters. You must not publish, disseminate, implement, revise or rescind a data privacy policy without our prior written consent. You must immediately notify us in writing of any claim, litigation, proceeding or complaint (whether from individuals or governmental agencies) that arises from or affects the operation or financial condition of your SNAP FITNESS® business or Club.

K. Participation in Internet Web Sites or Other Online Communications. You must, at your expense, participate in our SNAP FITNESS® web site, any intranet or extranet system we may develop or other online communications as we may require (the current website fee for the website and intranet use is listed on the Summary Page of this Agreement). We have the right to determine the content and use of our web site and any intranet or extranet system we may develop and will establish the rules under which franchisees may or must participate. You may not use the Marks or any part or derivative thereof on the internet, except as we expressly permit in writing and as authorized by our then-current policies. Without limiting the generality of the foregoing, you may not use the Marks or any part or derivative of the Marks

as part of any URL or domain name or as part of any unauthorized e-mail address and may only register the Marks or any part or derivative of the Marks as part of any user name on any gaming website or social networking website (such as FACEBOOK, MYSPACE, or TWITTER) in accordance with our then-current policies. You also may not display on any website (including commercial websites, gaming websites, and social networking websites) any of our copyrighted or proprietary works, which include the design portion of our Marks, or any collateral merchandise identified by the Marks. We retain all rights relating to our web site and any intranet or extranet system we may develop and may alter or terminate our web site, intranet or extranet system. Your general conduct on our web site, intranet and extranet system or other online communications and specifically your use of the Marks or any advertising is subject to the provisions of this Agreement. You acknowledge that certain information related to your participation in our web site, intranet or extranet system may be considered Confidential Information, including access codes and identification codes. Your right to participate in our web site, intranet and extranet system, or otherwise use the Marks or System on the internet or other online communications, will terminate when this Agreement expires or terminates.

L. System Modifications. You acknowledge and agree that we have the right to modify, add to or rescind any requirement, standard or specification that we prescribe under this Agreement to adapt the System to changing conditions, competitive circumstances, business strategies, business practices and other changes as we deem appropriate. This right includes, but is not limited to, the right to introduce new products and services. You must comply with these modifications, additions or rescissions at your expense, subject to the express limitations listed in this Agreement.

You must operate your Club in strict compliance with all applicable laws and with the standard procedures, policies, rules and regulations established by us and incorporated herein or in the Manual or in SNAP FITNESS® system bulletins or other publications that are distributed to franchisees from time to time. Such standard procedures, policies, rules and regulations established by us may be revised from time to time as circumstances warrant, and you must comply with all such procedures as they exist from time to time as though they were specifically listed in this Agreement and when incorporated in a system bulletin or other written notice to franchisees, the same is incorporated herein by reference. These standard procedures, policies, rules, and regulations may include operational matters, advertising or marketing matters, employee matters, membership issues, relationships between you and other franchisees, accounting issues, and any other issues that we believe, in our business judgment, are required to generally benefit the SNAP FITNESS® System and its franchisees.

M. Suggested Pricing Policies. We reserve the right to establish prices for the products and services you sell, both minimum and maximum, subject to applicable law. Unless stated otherwise in writing, any list or schedule of prices we furnish you is a recommendation only and any decision you make to accept or reject the suggestion will not affect the relationship between us.

N. National Accounts. From time to time we will negotiate contracts with corporations, affinity groups and insurance plans that will require that certain terms and/or discounts be offered to members of that corporation, affinity group or insurance plan by all franchisees at all locations (“**National Accounts**”). You are required to provide the special terms and/or discounts to these National Accounts.

O. Member Administration and Mediation. We or an affiliate may from time to time engage in administrative tasks related to member administration such as administering online enrollment or membership transfer and reciprocity programs. You agree that we may take those actions in accordance with our then-current policies, which may include transferring members to and from your club and providing on-line member enrollment. You agree that we may make such corrections as necessary, including that if a member is mistakenly transferred to the wrong club, we may issue credits and charges for the membership dues to the affected clubs. Any actions we take for member administration are for the benefit of the brand and uniformity in the System and not to exercise control over your business.

## PERSONNEL AND SUPERVISION STANDARDS

7. The following provisions and conditions control with respect to personnel, training and supervision:

A. Supervision. You must insure that the Club is operated in accordance with the terms and conditions of this Agreement. If you employ a general manager, he or she must attend and successfully complete all required training, as listed in Sections 7.B and C.

B. Training. You must, at your expense, comply with all of the training requirements we prescribe for the Club to be developed under this Agreement. If you employ a general manager, he or she also must comply with all training requirements. Specifically, prior to opening, you must attend our initial training program and complete the training to our satisfaction. In the event you are given notice of default as described in Sections 13.A and B and the default relates, in whole or in part, to your failure to meet any operational standards, we have the right to require as a condition of curing the default that you, at your expense, comply with the additional training requirements we prescribe. Any new general manager must comply with our training requirements within a reasonable time as we specify. Under no circumstances may you permit management of the Club's operations on a regular basis by a person who has not successfully completed to our reasonable satisfaction all applicable training we require.

C. Ongoing Training. We may require you and other key employees of the Club to attend, at your expense, ongoing training at our training club, the Authorized Location or other location we designate. Beyond our initial training program, you must pay our then-current training fee for all training we conduct for you.

D. Staffing. No employee of yours will be deemed to be an employee of ours for any purpose whatsoever.

E. Attendance at Meetings. Unless we approve otherwise, you and your manager must attend all quarterly sales and operations meetings and annual franchise conventions we may hold or sponsor. If you are not able to attend a meeting or convention, you must notify us prior to the meeting and we may mandate that you substitute a person acceptable to us to attend on your behalf.

## MARKETING

8. You agree to actively promote your Club, to abide by all of our advertising requirements and to comply with the following provisions:

A. National Marketing Fee. You must pay us each month a National Marketing Fee in the amount set forth in the Summary Pages in consideration for the advertising and marketing services that we provide in our discretion.

B. Local Expenditures Approved Materials. You must use your best efforts to aggressively promote and advertise the Club in your local area, and participate in any local marketing and promotional programs that we establish from time to time (including but not limited to any in-club marketing or promotions we may choose to run). You must conduct an initial promotional campaign, using items contained in the GO FAST™ kit, in accordance with our standards and specifications. In addition to any National Marketing Fee payable to us, we recommend you spend money every month on approved local advertising and we require that over during each 12 month calendar year time period, you spend \$4800 (an average of \$400 per month and prorated for any partial year the Club is open). Upon our request, you must provide us with itemization and proof that you are conducting advertising and marketing and also provide an accounting of the monies that you have spent for approved local marketing. You must use only such marketing materials as we furnish, approve or make available, and the materials must be used only in a manner that we prescribe. Furthermore, any promotional activities you conduct in the Club or on its premises are subject to our approval. We will not unreasonably withhold approval of any sales promotion materials and activities; provided that they are current, in good condition, in good taste, dignified, and accurately depict the Marks

(any use of the Marks, or a new variation you propose to the Marks, without our prior written approval is prohibited).

C. Local Marketing Fund and Advertising Co-ops.

1. In the future, we may also, at our option, designate any geographic area in which at least two SNAP FITNESS® franchises are located as a “designated advertising area” for the purposes of establishing a Local Marketing Fund that we control (“**Local Marketing Fund**”) or local or regional advertising cooperative controlled by majority vote of its members (“**Cooperative**”). In the future, we may, at our option, require you to make a contribution to a Local Marketing Fund and/or a Cooperative, as provided in this paragraph. Any amount contributed to a Local Marketing Fund or Cooperative will be in addition to, and not in lieu of, the National Marketing Fee described above. We have the right to determine the amount of contribution, in our sole judgment, provided that aggregate monthly contributions will not exceed \$200 per month (subject to adjustment based on the CPI as provided in Section 9.E). If, however, a Cooperative chooses to contribute a greater amount and the amount is approved by a two-thirds majority of the clubs in the Cooperative, you must contribute such amount. Any contribution you make to a Local Marketing Fund or Cooperative will count towards the minimum local advertising expenditures outlined in Section 8.B.

2. If established, you must participate in any Local Marketing Fund and/or Cooperative formed to serve the geographic area in which the Club is located, and must promptly execute all participation documents that we require. For Cooperatives only, each Club in the Cooperative will have one vote. Each Cooperative will be required to adopt governing bylaws that meet our approval. We will provide each Cooperative with a sample form of bylaws, containing certain terms and conditions that we require, although the bylaws cannot modify the voting structure set forth in this paragraph. We reserve the right to administer the Cooperatives’ funds and require payment from its members via electronic funds transfer. The members of each Cooperative and their elected officers will be responsible for the administration of the Cooperative. We have the right to require Cooperatives to be formed, changed, dissolved or merged.

D. Sponsorships and Partnerships. You may not enter into any sponsorship agreements or arrangements or any marketing partnerships without our prior written consent.

## **FEES, REPORTING AND AUDIT RIGHTS**

9. You must pay the fees described below and comply with the following provisions:

A. Initial Franchise Fee. Upon execution of this Agreement you must pay us an initial franchise fee in the amount set forth on the Summary Page. The initial franchise fee is deemed fully earned upon payment in consideration for our expenses incurred and services rendered in granting you the franchise and is non-refundable.

B. Membership Fees. You must pay a one time fee of \$5.~~20~~30 for each membership agreement to your Club and a monthly Billing Maintenance Fee of \$0.~~55~~56 per each membership enrolled at your Club. You will also purchase the door access cards at the then-current price (currently, \$5.00 per card).

C. Continuing Fee. In addition to the Initial Franchise Fee, in consideration of the rights granted to you, you must pay to us a Continuing Fee in the amount set forth in the Summary Pages. You must pay the Continuing Fee beginning the month that your Club opens and each following month through the term of this Agreement. You will pay the full Continuing Fee for any partial month.

D. Member Services. Currently, you must pay a \$1 fee for each new member for online member services. Periodically, as technology and member demands evolve, we may change or provide additional member services. You agree to participate in our future member service initiatives and to pay the applicable fees at the then-current rates.

E. CPI Adjustment. All fees under this Agreement, including the Continuing Fee, Marketing Fee, Web Site Fee, Membership Fees and Local Marketing Fund or Cooperative contribution (unless calculated as a percentage of sales), are subject to adjustment based on any increase in the Consumer Price Index (meaning



the annual average of the Consumer Price Index for All Urban Consumers, Other goods and services, 1982-1984=100, published by the Bureau of Labor Statistics of the United States Department of Labor). If the Bureau of Labor Statistics ceases publishing the Consumer Price Index, then the successor or most nearly comparable index as we select will be used. Fees will be changed no more than once per year. The increase will be based on the increase in the Index from January 1 of any year to January 1, ~~2013~~2014 or the previous CPI adjustment.

F. Computations and Remittances. The Continuing Fee, Marketing Fee, Website Fee, Local Marketing Fund or Cooperative contribution are due and owing on the first of the month. The Membership Fees and Member Services Fees are due and owing at the end of each month's operation. You must make all payments to us by the 10<sup>th</sup> of the month the fees are due (or such other day as we designate). You may not withhold payment of any amounts owed to use and hereby waive any and all existing and future claims and offsets against any amounts due under this Agreement. Notwithstanding any designation by you, we will be entitled to apply your payments against any amounts due to us. We also may set off any amounts that may be held by us or our affiliates on your behalf or owed to you by us or through our affiliates against amounts you owe to us or our affiliates.

G. Method of Payment. You must make payments to us and our affiliates by electronic funds transfer or such alternative methods as we may designate. You must execute and deliver to us, our bank and your bank, as necessary, all forms and documents that we request to permit us to use any payment method we designate, including the electronic transfer of funds authorization attached as Attachment D. You must comply with all procedures we specify from time to time, and take such reasonable action as we request to assist in any of the payment methods. Specifically, you agree that upon notice by us, all payments to us and our affiliates may be deducted from the monies your billing and payment processor collects on your behalf and you hereby authorize the billing and payment processor to deduct such amounts and to pay those amounts to us on the due date of such amount. You must maintain a balance in your account sufficient to allow us and our affiliates to collect the amounts owed to us when due and must notify us at least 20 days before closing or changing the account against which such debits are to be made. You are responsible for any penalties, fines or other similar expenses associated with the transfer of funds described in this Section.

H. Interest Charges. Any and all amounts that you owe to us or to our affiliates will bear interest at the rate of 18% per annum or the maximum contract rate of interest permitted by governing law, whichever is less, from and after the date of accrual.

I. Financial Planning and Management. You are responsible for keeping your own general accounting books. We may periodically request financial information, including but not limited to, a monthly profit plan, monthly balance sheet and monthly statement of profit and loss, membership and purchase records, invoices, inventories, payroll records, cash disbursement journals and general ledger, all of which accurately reflect the operations and condition of your Club operations. You must allow us electronic and manual access to any and all records relating to your Club.

J. Reports and Audit. In the event of an audit, you must verify the accuracy of the membership numbers on the 5<sup>th</sup> day of each month for the preceding month. Within 10 days after the request, you must submit to us a report with respect to our request in the form and content as we periodically prescribe. The report must include, but not be limited to, the following information for the preceding month: (i) number of membership sales; and (ii) if we request, monthly sales summary and monthly balance sheet and statement of profit and loss, including a summary of your costs for utilities, labor, rent and other material cost items. We may also request, at your expense, that you submit to us within 90 days after the end of each fiscal year a detailed balance sheet, profit and loss statement and statement of cash flows for such fiscal year, including all adjustments necessary for fair presentation of the financial statements. You must certify all reports to be true and correct. You acknowledge and agree that we have the right to impose these requirements on you regardless of whether we impose the same requirements on our other franchisees. If any audit determines that you have understated your income or your membership level by more than 2%, you must pay us all costs

of the audit plus interest on the amount due to us at 18% per annum or the highest rate allowed by law, whichever is less.

We or our authorized representative have the right at all times during the business day to enter the premises where your books and records relative to the Club are kept and to evaluate, copy and audit such books and records. In addition, upon our request, you must provide us the current information regarding the name and telephone number of the landlord, lender or vendors and suppliers for the Club. You agree that we have the right to communicate with the landlord, lender and other vendors related to your operation of the Club regarding the Club or any default by you under an agreement with the landlord, lender or vender. You hereby authorize the landlord, lender and any vendor associated with your club to communication with us and provide us information regarding the Club.

K. Attorneys' Fees and Costs. Should your non-compliance with the Franchise Agreement cause us to incur attorneys' fees and/or costs, you will be required to reimburse us for the attorneys' fees and costs incurred.

L. Taxes. If any taxes, fees, or assessments are imposed on royalties or other fees by reason of us acting as franchisor or licensing the Marks or the System under this Agreement (for example, sales tax), you will reimburse us the amount of those taxes, fees, or assessments within 15 days after receipt of our written notice to you.

#### **YOUR OTHER OBLIGATIONS; NON-COMPETE COVENANTS**

10. You agree to comply with the following terms and conditions:

A. Payment of Debts. You agree to pay promptly when due: *(i)* all payments, obligations, assessments and taxes due and payable to us and our affiliates, suppliers, lessors, federal, state or local governments, or creditors in connection with your business; *(ii)* amounts related to all liens and encumbrances of every kind and character created or placed upon or against any of the property used in connection with the Club or business; and *(iii)* all accounts and other indebtedness of every kind incurred by you in the conduct of the Club or business. In the event you default in making any such payment, we are authorized, but not required, to pay the same on your behalf and you agree promptly to reimburse us on demand for any such payment.

B. Indemnification. You waive all claims against us for damages to property or injuries to persons arising out of the operation of your Club. You must fully protect, indemnify and hold us and our owners, directors, officers, successors and assigns and our affiliates harmless from and against any and all claims, demands, damages and liabilities of any nature whatsoever arising in any manner, directly or indirectly, out of or in connection with or incidental to the operation of your Club (regardless of cause or any concurrent or contributing fault or negligence of us or our affiliates) or any breach by you or your failure to comply with the terms and conditions of this Agreement. We also reserve the right to select our own legal counsel to represent our interests, and you must reimburse us for our costs and attorneys' fees immediately upon our request as they are incurred.

C. Insurance. You must maintain in full force and effect throughout the term of this Agreement that insurance which you determine is necessary or appropriate for liabilities caused by or occurring in connection with the development or operation of the Club. Such insurance must include, at a minimum: *(i)* special/causes of loss coverage forms, including mechanical breakdown (previously called "All Risk coverage") on the Club and all fixtures, equipment and other property used in the operation of the Club, for full repair and replacement value of the equipment and improvements; *(ii)* business interruption insurance covering a minimum 12 months loss of income, written on an actual loss sustained basis, including coverage for our monthly fees with us named as a loss payee with respect to those fees; *(iii)* comprehensive general liability insurance with minimum limits of \$1,000,000 per occurrence and \$2,000,000 aggregate (including product liability and personal and advertising injury); *(iv)* "Per Location" aggregate limits when multiple club locations are insured under one comprehensive general liability policy; *(v)* automobile liability insurance, including owned, hired and non-owned vehicle coverage with a

minimum combined single limit of \$1,000,000 per claim; (vi) workers' compensation and employer's liability insurance covering all of your employees; (vii) professional liability insurance, including abuse and molestation, with a minimum limit of \$1,000,000 per occurrence; (viii) Commercial Umbrella Liability \$~~5~~10,000,000 per occurrence and \$10,000,000 aggregate, (ix) cyber liability with minimum limits of \$25,000 per occurrence; (x) medical expense coverage of \$1,000 per accident; (xi) crime (employee dishonesty, theft and robbery) with minimum limits of \$10,000 per occurrence; (xii) Snap Fitness, Inc. and any entity with an insurable interest that we designate (the "**Additional Named Insureds**") must be an additional insured on all liability policies required by this subparagraph to the extent each has an insurable interest; (xiii) each policy of insurance maintained pursuant to this Agreement must contain a waiver of subrogation in favor of the Additional Name Insureds; and (xiv) any other such insurance coverage's or amounts as required by law or other agreement related to the Club.

All insurance policies must be written by an insurance company or companies satisfactory to us (generally, companies with an AM Best rating of A- or better). You must participate in the current and any future insurance plan we establish for the benefit of the System and pay all required premiums due there under, unless we agree otherwise in writing.

The required insurance coverage must commence as of the date the building lease or building purchase agreement has been signed for your Authorized Location. You must deliver to us at commencement and thereafter annually or at our request a proper certificate evidencing the existence of such insurance coverage and your compliance with the provisions of this subparagraph. The insurance certificate must show all required Additional Named Insureds (as noted in (xii) and (xiii) above) and provide that we will be given 30 days' prior written notice of material change in or termination or cancellation of the policy. We also may request copies of all policies. We may modify the required minimum limits from time to time and by written notice to you, as conditions require, to reflect changes in relevant circumstances, industry standards, experiences in the SNAP FITNESS system, standards of liability and higher damage awards. If you do not procure and maintain the insurance coverage required by this Agreement, we have the right, but not the obligation, to procure insurance coverage and to charge same to you, together with a reasonable fee for the expenses we incur in doing so, payable by you immediately upon notice.

**You acknowledge that the foregoing minimum insurance requirements do not constitute advice or a representation that such coverages are necessary or adequate to protect you from losses in connection with the Club. Nothing in this Agreement prevents or restricts you from acquiring and maintaining insurance with higher policy limits or lower deductibles than we require.**

D. Non-compete Covenants. You agree that you will receive training and Confidential Information that you otherwise would not receive or have access to but for the rights licensed to you under this Agreement. You therefore agree to the following non-competition covenants:

1. Persons Bound. Unless otherwise specified, the term "Covered Person" as used in this Section 10.D includes, collectively and individually, the Principal Owner (including spouse) and all guarantors, officers, directors, members, managers, partners, as the case may be, and holders of any ownership interest in you. We may require you to obtain from your individuals identified in the preceding sentence a signed non-compete agreement in a form satisfactory to us that contains the non-compete provisions of this Section 10.D.

2. During Term. During the term of this Agreement, Covered Persons must not directly or indirectly, for themselves or through, on behalf of or in conjunction with any individual or business entity: (i) divert any Club member, potential Club member or former Club member to any fitness club except another SNAP FITNESS® Club; or (ii) own, operate, lease, franchise, engage in, be connected with, have any interest in, or assist any person or entity engaged in any other fitness club (including, but not limited to a 24/7 fitness club, studio or exercise facility; a fitness club, studio or exercise facility featuring keycard access or a structured fitness/training program or complete body overhaul program for



individuals) in the United States, except another SNAP FITNESS® Club pursuant to a valid franchise agreement with us.

3. After Termination. For a period of two years after the transfer, expiration or termination of this Agreement (and with respect to any Principal Owner, for a period of two years after such person ceases to be a Principal Owner, regardless of the reason), Covered Persons must not directly or indirectly, for themselves or through, on behalf of or in conjunction with any individual or business entity: (i) divert any Club member, potential Club member or former Club member to any fitness club except another SNAP FITNESS® Club; or (ii) own, operate, lease, franchise, engage in, be connected with, have any interest in, or assist any person or entity engaged in any other fitness club (including, but not limited to a 24/7 fitness club, studio or exercise facility; a fitness club, studio or exercise facility featuring keycard access or a structured fitness/training program or complete body overhaul program for individuals) that is located at or within a 10-mile radius of the Authorized Location, that is located within a 10-mile radius of any other SNAP FITNESS® Club in operation or under construction, or that is located in the Designated Area of any other SNAP FITNESS® franchisee. The two year period described in this paragraph will be tolled during any period of noncompliance.

4. Reasonableness. You agree that the scope of the prohibitions stated in this Section 10.D is reasonable and necessary to protect us and the System (including other franchisees of the System). You agree that the prohibitions in this Section 10.D must be very broad in order to prevent you from taking information, materials and training we are providing to you on an ongoing basis and using them to either compete with us, or preempt or otherwise restrict our ability to enter new markets. You agree that the time period and the scope of the prohibitions stated in this Section 10.D are the reasonable and necessary time and distance needed to protect us if this Agreement expires or is terminated for any reason. You also agree that you have many other opportunities available to earn a living, and that these restrictions will not preclude you from engaging in a lawful trade or business for which you otherwise are qualified.

5. Exception. The purchase of a publicly traded security of a corporation engaged in a competitive business or service will not in itself be deemed violative of this Section 10.D so long as you do not own, directly or indirectly, more than 5% of the securities of such corporation.

6. Reformation and Reduction of Scope of Covenants. If all or a portion of any covenant contained in this Section 10.D. is held to be unreasonable or unenforceable by a court or agency having valid jurisdiction in any unappealed final decision to which we are a party, you and each Covered Person will be bound by any lesser covenant subsumed within the terms of such 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 10.D. Notwithstanding the foregoing, we have the unilateral right, in our sole discretion, to reduce the scope of any covenant set forth in Section 10.D, or any portion thereof, which reduction will be effective immediately upon delivery of notice of the reduction.

7. Injunctive Relief. You and each Covered Person agree that the violation of any covenant contained in this Section 10.D. would result in immediate and irreparable injury to us for which there is no adequate remedy at law. You and each Covered Person therefore agree that in case of an alleged breach or violation of this Section, we may seek injunctive relief, in addition to all other remedies that may be available to us at equity or law. We will not be required to post a bond or other security for any injunctive proceeding.

8. Severability. Each of the foregoing covenants will be construed as independent of any other covenant or provision of this Agreement.

E. Innovations. You agree to fully and promptly disclose to us all ideas, plans, improvements, concepts, methods and techniques relating to the development or operation (including marketing, advertising and promotions) of the Club or any similar aspect of the business conceived or developed by you, any Owner or your employees during the term of this Agreement (“**Innovations**”). We and our

affiliates own and have the right to authorize other Clubs to use any Innovations without any compensation to you, any Owner, or your employees. Nothing in this Section modifies your obligations to comply with the System and the Manual.

F. Copyright. You hereby acknowledge and agree that the ownership of all printed, audio and visual material and any other material whatsoever (including all Confidential Information) being part of the Club or System (the “**work**”) belongs to us or our affiliates and any copyright in respect to the work belongs to us. In addition, you acknowledge that you have no right to manufacture any component of the work or duplicate the work and agree to purchase all components of (or rights of access to) the work exclusively from us. You have no right to claim any proprietary interest in any of the work. You must immediately notify us of any known infringement to the work or to our copyright interest therein. We have the right to control any litigation related to our copyrights or the work. You agree to assist us, as directed by us, in any claim or action against the infringer.

## **TRANSFER OF FRANCHISE**

11. You agree that the following provisions govern any transfer or proposed transfer:

A. Transfers. We have entered into this Agreement with specific reliance upon your financial qualifications, experience, skills and managerial qualifications as being essential to the satisfactory operation of the Club. Consequently, your interest in this Agreement or in the Club or any Owner’s interest in a franchisee that is a partnership or entity may be transferred or assigned to or assumed by any other person or entity (the “assignee”), in whole or in part, unless you have first tendered to us the right of first refusal to acquire this Agreement in accordance with Section 11.E, and if we do not exercise such right, unless our prior written consent is obtained, the transfer fee provided for in Section 11.C is paid, if applicable, and the transfer conditions described in Section 11.C are satisfied. Any sale (including installment sale), lease, pledge, management agreement, contract for deed, option agreement, assignment, bequest, gift or otherwise, or any arrangement pursuant to which you turn over all or part of the daily operation of the business to a person or entity who shares in the losses or profits of the business in a manner other than as an employee will be considered a transfer for purposes of this Agreement. Specifically, but without limiting the generality of the foregoing, the following events constitute a transfer and you must comply with the right of first refusal, consent, transfer fee, and other transfer conditions in this Section 11:

1. Any change or series of changes in the percentage of the franchisee entity owned, directly or indirectly, by the Principal Owner (including any addition or deletion of any person or entity who qualifies as a Principal Owner);

2. Any change in the general partner of a franchisee that is a general, limited or other partnership entity; or

3. For purposes of this Section 11.A, a pledge or seizure of any ownership interests in you or in any Principal Owner that affects the ownership of 25% or more of you or Principal Owner, which we have not approved in advance in writing.

In the event of your insolvency or the filing of any petition by or against you under any provisions of any bankruptcy or insolvency law, if your legal representative, successor, receiver or trustee desires to succeed to your interest in this Agreement or the business conducted hereunder, such person first must notify us, tender the right of first refusal provided for in Section 11.E, and if we do not exercise such right, must apply for and obtain our consent to the transfer, pay the transfer fee provided for in Section 11.C, if applicable, and satisfy the transfer conditions described in Section 11.C. In addition, you or the assignee must pay the attorneys’ fees and costs that we incur in any bankruptcy or insolvency proceeding pertaining to you.

You may not place in, on or upon the location of the Club, or in any communication media or any form of advertising, any information relating to the sale of the Club or the rights under this Agreement, without our President's prior written consent.

B. Consent to Transfer. We will not unreasonably withhold our consent to transfer, provided we determine that all of the conditions described in this Section 11 have been satisfied. Application for our consent to a transfer and tender of the right of first refusal provided for in Section 11.E must be made by submission of our form of application for consent to transfer, which must be accompanied by the documents (including a copy of the proposed purchase or other transfer agreement) or other required information. The application must indicate whether you or a Principal Owner proposes to retain a security interest in the property to be transferred. No security interest may be retained or created, however, without our President's prior written consent and except upon conditions acceptable to us. Any agreement used in connection with a transfer is subject to our President's prior written approval, which approval will not be withheld unreasonably. Any attempted transfer by you without our President's prior written consent or otherwise not in compliance with the terms of this Agreement will be void and will provide us with the right to elect either to default and terminate this Agreement or to collect from you and the guarantors a transfer fee equal to two times the transfer fee provided for in Section 11.C.

C. Conditions of Transfer. We condition our consent to any proposed transfer, whether to an individual, a corporation, a partnership or any other entity upon the following:

1. Assignee Qualifications. The assignee must meet all of our then-current requirements for the franchise we are offering at the time of the proposed transfer.

2. Payment of Amounts Owed. All amounts owed by you to us or any of our affiliates, your suppliers or any landlord for the Club premises and Authorized Location, or upon which we or any of our affiliates have any contingent liability must be paid in full.

3. Reports. You must have provided all required reports to us in accordance with Sections 9.I and J.

4. Modernization. You must have complied with the provisions of Section 5.F.

5. Guarantee. In the case of an installment sale for which we have consented to you or any Principal Owner retaining a security interest or other financial interest in this Agreement or the business operated hereunder, you or such Principal Owner, and the guarantors, are obligated to guarantee the performance under this Agreement until the final close of the installment sale or the termination of such interest, as the case may be.

6. Consent to Transfer; General Release. You, each Principal Owner and each guarantor must execute all transfer documents that we require and in the form we designate, which documents will include a general release of all claims arising out of or relating to this Agreement, your Club or the parties' business relationship; provided, however, that the release will not be inconsistent with any state law regulating franchising.

7. Training. The assignee must, at your or the assignee's expense, comply with the training requirements of Section 7.B.

8. Financial Reports and Data. We have the right to require you to prepare and furnish to assignee and/or us such financial reports and other data relating to the Club and its operations as we deem reasonably necessary or appropriate for assignee and/or us to evaluate the Club and the proposed transfer. You agree that we have the right to confer with proposed assignees and furnish them with information concerning the Club and proposed transfer without being held liable to you, except for intentional misstatements made to an assignee. Any information furnished by us to proposed assignees is for the sole purpose of permitting the assignees to evaluate the Club and proposed transfer and must not be construed in any manner or form whatsoever as earnings claims or claims of success or failure.

9. Transfer Fee. If the assignee is an existing SNAP FITNESS® franchisee, you must pay us a transfer fee equal to \$~~2,500~~5,000; if the assignee is not an existing SNAP FITNESS® franchisee, you must pay us a transfer fee equal to our then-current initial franchise fee.

10. New Franchise Agreement. If the proposed transfer (or a series of transfers) would result in a change in control of the franchisee, the transferee must execute our then-current form of franchise agreement (provided that no initial franchise fee will be due there under); and each of transferee's Principal Owners execute our then-current form of personal guaranty and undertaking. The parties acknowledge and agree that our then-current form of franchise agreement may be materially different than this Agreement and may include, among other things, different fees. Additionally, in the event of a transfer, we have the unilateral right to change or modify the boundaries of the Designated Area under the new franchise agreement. The Designated Area modification, if any, will be noted in the new franchise agreement issued with respect to the transfer.

11. Other Conditions. You must have complied with any other conditions that we reasonably require from time to time as part of our transfer policies.

D. Death, Disability or Incapacity. If any individual who is a Principal Owner dies or becomes disabled or incapacitated and the decedent's or disabled or incapacitated person's heir or successor-in-interest wishes to continue as a Principal Owner, such person or entity must apply for our consent under Section 11.B, comply with the training requirements of Section 7.B, pay the transfer fee, if applicable, under Section 11.C, and satisfy the transfer conditions under Section 11.C, as in any other case of a proposed transfer, all within 180 days of the death or event of disability or incapacity. During any transition period to an heir or successor-in-interest, the Club still must be operated in accordance with the terms and conditions of this Agreement. If the assignee of the decedent or disabled or incapacitated person is the spouse or child of such person, no transfer fee will be payable to us and we will not have a right of first refusal as stated in Section 11.E.

E. Right of First Refusal. If you propose to transfer or assign this Agreement or your interest herein or in the business, in whole or in part, to any third party, including, without limitation, any transfer contemplated by Section 11.D or any transfer described in Section 11.A, you first must offer to sell to us your interest. In the event of a bona fide offer from such third party, you must obtain from the third-party offeror and deliver to us a statement in writing, signed by the offeror and by you, of the terms of the offer. In the event the proposed transfer results from a change in control of the franchisee or a Principal Owner under Section 11.A.1 through 11.A.3, or your insolvency or the filing of any petition by or against you under any provisions of any bankruptcy or insolvency law, you first must offer to sell to us your interest in this Agreement and the land, building, equipment, furniture and fixtures, and any leasehold interest used in the operation of your Club. Unless otherwise agreed to in writing by our President and you, the purchase price for our purchase of assets in the event of a transfer that occurs by a change in control or insolvency or bankruptcy filing will be established by a qualified appraiser selected by the parties and in accordance with the price determination formula established in Section 14.B in connection with an asset purchase upon expiration. In addition, unless otherwise agreed to in writing by us and you, the transaction documents, which we will prepare, will be those customary for this type of transaction and will include representations and warranties then customary for this type of transaction. If the parties cannot agree upon the selection of such an appraiser, a Judge of the United States District Court for the District in which the Authorized Location is located will appoint one upon petition of either party.

You or your legal representative must deliver to us a statement in writing incorporating the appraiser's report and all other information we have requested. We then have 45 days from our receipt of the statement setting forth the third-party offer or the appraiser's report and other requested information to accept the offer by delivering written notice of acceptance to you. Our acceptance of any right of first refusal will be on the same price and terms listed in the statement delivered to us; provided, however, we have the right to substitute equivalent cash for any noncash consideration included in the offer. If we fail to accept the offer

within the 45-day period, you will be free for 60 days after such period to effect the disposition described in the statement delivered to us provided such transfer is in accordance with this Section 11. You may effect no other sale or assignment of you, this Agreement or the business without first offering the same to us in accordance with this Section 11.E.

F. Transfer by Us. We have the right to sell or assign, in whole or in part, our interest in this Agreement and you hereby consent to any such sale or assignment.

G. Individual Franchisee. If you are in full compliance with this Agreement, you may transfer this Agreement to a corporate or other business entity (i) which conducts no business other than operating your Club (and if applicable other SNAP FITNESS Clubs), (ii) in which you maintain management control (iii) of which you own and control 100% of the equity and voting power of all issued and outstanding equity interests and (iv) further provided that all assets of the Club are owned, and the entire Club is conducted by a single business entity. Any transfer meeting the conditions in this Section 11.G will not be subject to the conditions in Section 11.C, however, the corporation or other similar entity must execute a document in a form approved by us in which it agrees to become a party to and be bound by all the provisions of this Agreement and the Principal Owners must agree to remain personally liable under this Agreement.

H. Securities Offerings.

1. No Public Offerings. Neither you nor any of your Owners may issue or sell your securities or the securities of any of your affiliates if: (a) such securities would be required to be registered pursuant to the Securities Act of 1933, as amended, or such securities would be owned by more than 35 persons; or (2) after the issuance or sale, you or such affiliate would be required to comply with the reporting and information requirements of the Securities Exchange Act of 1934, as amended.

2. Private Placements. You, your Owners and affiliates may offer securities or partnership interests, by private offering or otherwise, only with our prior written consent, which will not be unreasonably withheld (except for public offerings prohibited above). All materials required for such offering by federal or state law must be submitted to us for review prior to their being filed with any government agency; and any materials to be used in any exempt offering must be submitted to us for review prior to their use. No offering may imply (by use of the Marks or otherwise) that we are participating in the underwriting, issuance or offer of securities and our review of any offering will be limited solely to the subject of the relationship between you and us. In preparing a prospectus or other offering materials, you must make any changes and incorporate any disclaimers we require with respect to your relationship with us and your use of the Marks. You, Owners and the other participants in the offering must fully indemnify us in connection with the offering. For each proposed offering, you must pay us for our reasonable costs and expenses associated with reviewing the proposed offering, including, without limitation, legal and accounting fees. You must give us written notice at least 30 days prior to the date of commencement of any offering or other transaction covered by this Section.

## DISPUTE RESOLUTION

12. The following provisions apply with respect to dispute resolution:

A. Arbitration; Mediation. Except as qualified below, any dispute between you and us and any of our or your affiliates, officers, directors, shareholders, members, guarantors, employees or owners arising under, out of, in connection with or in relation to this Agreement, any lease for the Club or Authorized Location, the parties' relationship, the Club, our Standards, or the scope or validity of the arbitration obligations under this Section must be submitted to binding arbitration under the authority of the Federal Arbitration Act and must be arbitrated in accordance with the then-current rules and procedures and under the auspices of the American Arbitration Association-~~("AAA")~~. Any arbitration must be on an individual basis. Multiparty arbitration is specifically excluded, and the parties and the arbitrator will have no authority or power to proceed with any claim as a class action or otherwise to join or consolidate any claim with any claim or other proceeding involving third parties. In the event a court or arbitrator determines that this ~~limitation on~~



~~joinder~~~~exclusion~~ of ~~or multiparty arbitration (including class action certificate of claims arbitration)~~ is unenforceable, then this entire commitment to arbitrate will be null and void and the parties must submit all claims to the jurisdiction of the courts. ~~The arbitration must take place in Minneapolis, Minnesota. is the exclusive locale or venue of any arbitration or civil action.~~ The arbitrators must follow the law and not disregard the terms of this Agreement. ~~The arbitrators appointed~~Any arbitrator must have at least five years' experience in franchising or in franchise law.

~~The~~Any unappealed decision of the ~~arbitrators~~arbitrator(s) will be final and binding on all parties to the dispute; however, the ~~arbitrators may not under any circumstances~~arbitrator(s) shall have no authority to: (i) stay the effectiveness of any pending termination of this Agreement; (ii) assess punitive or exemplary damages; (iii) certify a class or ~~consolidated~~consolidate an action, or (iv) make any award which extends, modifies or suspends any lawful term of this Agreement or any reasonable standard of business performance that we set. A judgment may be entered upon the arbitration award by any court of competent jurisdiction.

We and you agree to be bound by the provisions of any limitation on the period of time by which claims must be brought under this Agreement or applicable law, whichever expires first. We and you further agree that, in connection with any arbitration proceeding, each party must submit or file any claim which would constitute a compulsory counterclaim (as defined by the then-current Rule 13 of the Federal Rules of Civil Procedure) within the same proceeding as the claim to which it relates. Any such claim which is not submitted or filed in such proceeding will be barred. The arbitrator may not consider any settlement discussions or offers that might have been made by either you or us. We reserve the right, but have no obligation, to advance your share of the costs of any arbitration proceeding in order for such arbitration proceeding to take place and by doing so will not be deemed to have waived or relinquished our right to seek the recovery of those costs in accordance with Section 12.C. Except as may be required by law, neither a party nor an arbitrator may disclose the existence, content, or results of any arbitration under this section 12 without the prior written consent of both parties. The provisions of this Section are intended to benefit and bind certain third party non-signatories and will continue in full force and effect subsequent to and notwithstanding the expiration or termination of this Agreement.

Any award rendered by the arbitrator(s) may be appealed pursuant to the AAA's Optional Appellate Arbitration Rules in effect as of the Effective Date of this agreement ("Appellate Rules"). Any award will, at a minimum, be a reasoned award. The award will not be considered final until after the time for filing the notice of appeal pursuant to the Appellate Rules has expired. Appeals must be initiated within thirty days of receipt of an award, as defined by Rule A-3 of the existing Appellate Rules, by filing a notice of appeal with any AAA office. The appeal tribunal may affirm, reverse, or modify the award of the arbitrator(s), or return the matter to the arbitrator(s) for further action. A final award may be entered once the appeal process is complete or the time for filing an appeal has expired, and a judgment may be entered upon the arbitration award in accordance with the procedures identified above.

Before the filing of any arbitration, the parties agree to mediate any dispute that does not include injunctive relief or specific performance actions covered under Section 12.B, provided that the party seeking mediation must notify the other party of its intent to mediate prior to the termination of this Agreement. Mediation will be conducted by a mediator or mediation program agreed to by the parties and will take place in Minneapolis, Minnesota. Persons authorized to settle the dispute must attend any mediation session. The parties agree to participate in the mediation proceedings in good faith with the intention of resolving the dispute if at all possible within 30 days of the notice from the party seeking to initiate the mediation procedures. If not resolved within 30 days, the parties are free to pursue arbitration.

B. Injunctive Relief. Notwithstanding Section 12.A, the parties agree that the following claims will not be subject to arbitration or mediation: (i) any action for declaratory or equitable relief, including, without limitation, seeking preliminary or permanent injunctive relief, specific performance, other relief in the nature of equity to enjoin any harm or threat of harm to such party's tangible or intangible property, brought at any time, including without limitation, prior to or during the pendency or any arbitration proceeding initiated

under Section 12.A; or **(ii)** any action in ejectment or for possession of any interest in real or personal property; or **(iii)** our decision in the first instance to issue a notice of default and/or notice of termination, or undertake any other conduct with respect to the franchise relationship that might later result in a dispute or controversy between us.

C. Attorneys' Fees. The prevailing party in any action or proceeding arising under, out of, in connection with, or in relation to this Agreement or other dispute between the parties, any lease or sublease for the Club or Authorized Location, or the business will be entitled to recover its reasonable attorneys' fees and costs. If any party initiates' litigation in violation of this arbitration provision and the other party successfully moves to compel arbitration, the party moving to compel arbitration will be entitled to reimbursement of its attorneys' fees and costs incurred in connection with defending the litigation and compelling arbitration.

## DEFAULT AND TERMINATION AND OTHER REMEDIES

13. The following provisions apply with respect to default and termination:

A. Defaults. You are in default if we determine that you or any Principal Owner or guarantor has breached any of the terms of this Agreement or any other agreement between you and us or our affiliates, which without limiting the generality of the foregoing includes: **(i)** making any false report to us; **(ii)** intentionally understating or underreporting or failure to pay when due any amounts required to be paid to us or any of our affiliates; **(iii)** conviction of you, a Principal Owner, or a guarantor of (or pleading no contest to) (a) any misdemeanor that brings or tends to bring any of the Marks into disrepute or impairs or tends to impair your reputation or the goodwill of any of the Marks or the Club or (b) any felony; **(iv)** filing of tax or other liens that may affect this Agreement; or **(v)** voluntary or involuntary bankruptcy by or against you or any Principal Owner or guarantor, insolvency, making an assignment for the benefit of creditors or any similar voluntary or involuntary arrangement for the disposition of assets for the benefit of creditors.

B. Termination by Us. We have the right to terminate this Agreement in accordance with the following provisions:

1. Termination After Opportunity to Cure. Except as otherwise provided in this Section 13.B: **(i)** you will have 30 days from the date of our issuance of a written notice of default to cure any default under this Agreement, other than a failure to pay amounts due or submit required reports, in which case you will have 10 days to cure those defaults; **(ii)** your failure to cure a default within the 30-day or 10-day period will provide us with good cause to terminate this Agreement; **(iii)** the termination will be accomplished by mailing or delivering to you written notice of termination that will identify the grounds for the termination; and **(iv)** the termination will be effective immediately upon our issuance of the written notice of termination.

2. Immediate Termination With No Opportunity to Cure. In the event any of the following defaults occurs, you will have no right or opportunity to cure the default and this Agreement will terminate effective immediately on our issuance of written notice of termination: **(i)** you have failed to identify a mutually acceptable site for the operation of the Club or to open the Club for business within the time period provided by this Agreement; **(ii)** you or any Owner has made any material misrepresentation or omission in your franchise application; **(iii)** your voluntary abandonment of this Agreement or the Authorized Location, **(iv)** the loss of your lease, or the failure to timely cure a default under the lease, **(v)** the loss of your right of possession or failure to reopen or relocate under Section 5.G.; **(vi)** the closing of the Club by any state or local authorities for health or public safety reasons; **(vii)** any unauthorized use of the Confidential Information; **(viii)** insolvency of you, a Principal Owner or guarantor; **(ix)** you, a Principal Owner or guarantor making an assignment or entering into any similar arrangement for the benefit of creditors; **(x)** conviction of you, any Principal Owners, or guarantors of (or pleading no contest to) any felony or misdemeanor that brings or tends to bring any of the Marks into disrepute or impairs or tends to impair your reputation or the goodwill of the Marks or the Club, **(x)** you, any Owner, guarantor or an

affiliate of any of you are listed by the United States or United Nations as being a terrorist, financier of terrorism or otherwise restricted from doing business in or with the United States; **(xi)** intentionally understating or underreporting membership sales or any understatement or 2% variance on a subsequent audit within a two-year period under Section 9.H, **(xii)** any unauthorized transfer or assignment in violation of Section 11; or **(xiii)** any default by you that is the second same or similar default within any 12-month consecutive period or the fourth default of any type within any 24-month consecutive period.

3. **Immediate Termination After No More than 24 Hours to Cure.** In the event that a default under this Agreement occurs that materially impairs the goodwill associated with any of the Marks, violates any health, safety or sanitation law or regulation, or if the operation of the Club presents a health or safety hazard to your members or to the public: **(i)** you will have no more than 24 hours after we provide written notice of the default to cure the default; and **(ii)** this Agreement will terminate effective immediately on our issuance of written notice of termination.

4. **Effect of Other Laws.** The provisions of any valid, applicable law or regulation prescribing permissible grounds, cure rights or minimum periods of notice for termination of this franchise supersede any provision of this Agreement that is less favorable to you.

C. **Termination by You.** You may terminate this Agreement as a result of a breach by us of a material provision of this Agreement provided that: **(i)** you provide us with written notice of the breach that identifies the grounds for the breach; and **(ii)** we fail to cure the breach within a reasonable time, which will in no event be less than 60 days after our receipt of the written notice. If we fail to cure the breach, the termination will be effective 90 days after our receipt of your written notice of breach. Your termination of this Agreement under this Section will not release or modify your post-term obligations under Section 10.D and Section 14 of this Agreement.

D. **Other Remedies.** If you fail to identify a site for the Club or open the Club within the time required by this Agreement, in lieu of terminating this Agreement *in toto*, we may, at our sole option, eliminate any designated area protection or reservation provided to you under Section 2.C of this Agreement. If you are in default under this Agreement, in addition to any other remedies we may have, we have the right to withhold services pending any cure of the default including: (1) removing your Club from the [www.snapfitness.com](http://www.snapfitness.com) website; (2) suspending online enrollment or (3) suspending our facilitation of the member billing process.

E. **Liquidated Damages.** In the event of any default by you that results in a premature termination of this Agreement (regardless of which party actually terminates this Agreement), you must pay us, as liquidated damages and not as a penalty, an amount equal to the average monthly fees paid to us over the past 12 months multiplied by the number of months remaining in the then-current term, reduced to present value at a rate of 6%. The parties acknowledge and agree that such amount represents a reasonable estimate of the damages we will incur as a result of such default and premature termination.

## **POST-TERM OBLIGATIONS**

14. Upon the expiration or termination of this Agreement:

A. **Reversion of Rights; Discontinuation of Trademark Use.** All of your rights to the use of the Marks and all other rights and licenses granted in this Agreement and the right and license to conduct business under the Marks at the Authorized Location will revert to us without further act or deed of any party. All of your right, title and interest in, to and under this Agreement will become our property. You must immediately comply with the post-term non-compete obligations under Section 10.D, cease all use and display of the Marks and of any proprietary material (including the Manual) and of all or any portion of promotional materials furnished or approved by us, assign all right, title and interest in the telephone numbers for the Club and cancel or assign, at our option, any assumed name rights or equivalent registrations filed with authorities. You must pay all sums due to us, our affiliates or designees and all sums you owe to third parties that have been guaranteed by us or any of our affiliates. You must immediately return to us, at your expense, all copies of the Manuals then in your possession or control or previously disseminated to your employees and continue



to comply with the confidentiality provisions of Section 6.H. You must promptly at your expense and subject to Section 14.B, remove or obliterate all Club signage, displays or other materials in your possession at the Authorized Location or elsewhere that bear any of the Marks or names or material confusingly similar to the Marks and so alter the appearance of the Club as to differentiate the Club unmistakably from duly licensed clubs identified by the Marks. If, however, you refuse to comply with the provisions of the preceding sentence within 30 days, we have the right to enter the Authorized Location and remove all Club signage, displays or other materials in your possession at the Authorized Location or elsewhere that bear any of the Marks or names or material confusingly similar to the Marks, and you must reimburse us for our costs incurred. You are responsible for reimbursing members for all pre-paid services not rendered. Notwithstanding the foregoing, in the event of expiration or termination of this Agreement, you will remain liable for your obligations pursuant to this Agreement or any other agreement between you and us or our affiliates that expressly or by their nature survive the expiration or termination of this Agreement.

**B. Option to Assume Lease; Assume Telephone Numbers and Membership Contracts, and Purchase Assets.** Upon termination or expiration of this Agreement, we will have the option (but not the obligation) to do any or all of the following: *(i)* assume your Lease for the Club premises; *(ii)* assume all telephone numbers used in connection with the operation of the Club; *(iii)* assume all utilities used in connection with the operation of the Club; and/or *(iv)* assume your rights and interest in and to any Membership Contract to which you are a party, by delivering to you written notice of our election within 30 days after termination or expiration of this Agreement.

Upon termination or expiration of this Agreement, we also will have the option, to purchase any or all of the assets used in connection with the operation of the Club including, without limitation, equipment, fixtures, signage, furnishings, supplies and leasehold improvements. The purchase price for the assets will be determined by a qualified appraiser selected with the consent of both parties, provided we give you written notice of our preliminary intent to exercise our purchase rights under this Section 14.B. within 30 days after the date of the expiration or termination of this Agreement. If the parties cannot agree upon the selection of an appraiser(s), each party will appoint their own appraiser and the two appraisers will select a neutral appraiser, who will independently perform the appraisal. Within 45 days after our receipt of the appraisal report, we or our designated purchaser will identify the assets, if any, that we intend to purchase at the price designated for those assets in the appraisal report. We or our designated purchaser and you will then proceed to complete and close the purchase of the identified assets, and to prepare and execute purchase and sale documents customary for the assets being purchased, in a commercially reasonable time and manner. We and you will each pay one-half of the appraiser's fees and expenses. Our interest in the assets of the Club that are owned by you or your affiliates will constitute a lien thereon and may not be impaired or terminated by the sale or other transfer of any of those assets to a third party. Upon our or our designated purchaser's exercise of the purchase option and tender of payment, you agree to sell and deliver, and cause your affiliates to sell and deliver, the purchased assets to us or our designated purchaser, free and clear of all encumbrances, and to execute and deliver, and cause your affiliates to execute and deliver, to us or our designated purchaser a bill of sale therefore, and such other documents as may be commercially reasonable and customary to effectuate the sale and transfer of the assets being purchased.

You must execute all additional documentation that we designate to give effect to the options described in this Section 14.B. We may assign our option rights to any person of our choice.

**C. Claims.** You and your Principal Owners and guarantors may not assert any claim or cause of action against us or our affiliates relating to this Agreement or the business contemplated under this Agreement after the shorter period of the applicable statute of limitations or one year following the effective date of termination or expiration of this Agreement; provided that where the one-year limitation of time is prohibited or invalid by or under any applicable law, then and in that event no suit or action may be commenced or maintained unless commenced within the applicable statute of limitations.

## **GENERAL PROVISIONS**

15. The parties agree to the following provisions:

A. Severability. Should one or more clauses of this Agreement be held void or unenforceable for any reason by any court of competent jurisdiction, such clause or clauses will be deemed to be separable in such jurisdiction and the remainder of this Agreement is valid and in full force and effect and the terms of this Agreement must be equitably adjusted so as to compensate the appropriate party for any consideration lost because of the elimination of such clause or clauses. It is the intent and expectation of each of the parties that each provision of this Agreement will be honored, carried out and enforced as written. Consequently, each of the parties agrees that any provision of this Agreement sought to be enforced in any proceeding must, at the election of the party seeking enforcement and notwithstanding the availability of an adequate remedy at law, be enforced by specific performance or any other equitable remedy.

B. Waiver/Integration. No waiver by us of any breach by you, nor any delay or failure by us to enforce any provision of this Agreement, may be deemed to be a waiver of any other or subsequent breach or be deemed an estoppel to enforce our rights with respect to that or any other or subsequent breach. Subject to our rights to modify the Marks, System, Manual, and to designate the Authorized Location and Designated Area as stated in this Agreement, this Agreement may not be waived, altered or rescinded, in whole or in part, except by a writing signed by you and us. This Agreement together with the addenda and appendices and the application form executed by you requesting us to enter into this Agreement constitute the sole agreement between the parties with respect to the entire subject matter of this Agreement and embody all prior agreements and negotiations with respect to the business. You acknowledge and agree that you have not received any warranty or guarantee, express or implied, as to the potential volume, profits or success of your business. There are no representations or warranties of any kind, express or implied, except as contained in this Agreement and in the aforesaid application. Nothing in this Agreement is intended to disclaim the representations we have made in our Franchise Disclosure Document.

C. Notices. Except as otherwise provided in this Agreement, any notice, demand or communication provided for in this Agreement must be in writing and signed by the party serving the same and (i) delivered personally or (ii) delivered by a reputable overnight service (such as FedEx) or (iii) deposited in the United States mail, service or postage prepaid (and if such notice is a notice of default or of termination, by registered or certified mail), and addressed as follows:

1. If intended for us, addressed to President; Snap Fitness, Inc., 2411 Galpin Ct, Suite 110, Chanhassen, MN 55317;

2. If intended for you, addressed to you at Address for Notices set forth on the Summary Pages or at the Authorized Location; or, in either case, to such other address as may have been designated by notice to the other party. Notices for purposes of this Agreement will be deemed to have been received if mailed or delivered as provided in this Section.

D. Authority. Any modification, consent, approval, authorization or waiver granted in this Agreement required to be effective by signature will be valid only if in writing executed by you or, if on behalf of us, in writing executed by an authorized officer.

E. References. If the franchisee is two or more persons, the persons are jointly and severally liable, and references to you in this Agreement includes all of the individuals. Headings and captions contained herein are for convenience of reference and may not be taken into account in construing or interpreting this Agreement.

F. Guarantee. All Principal Owners of a franchisee that is a corporation, partnership, Limited Liability Company or partnership or other legal entity must execute the form of undertaking and guarantee at the end of this Agreement. Any person or entity that at any time after the date of this Agreement becomes a Principal Owner pursuant to the provisions of Section 11 or otherwise must execute the form of undertaking and guarantee at the end of this Agreement. In the event no individual meets the definition of Principal Owner, all owners we designate must provide the guarantee.

G. Successors/Assigns. Subject to the terms of Section 11 hereof, this Agreement is binding upon and inures to the benefit of the administrators, executors, heirs, successors and assigns of the parties.

H. Interpretation of Rights and Obligations. The following provisions apply to and govern the interpretation of this Agreement, the parties' rights under this Agreement, and the relationship between the parties:

1. Applicable Law and Waiver. Subject to our rights under federal trademark laws and the parties' rights under the Federal Arbitration Act in accordance with Section 12 of this Agreement, all claims arising out of or relating to this Agreement and the parties' relationship will be governed by, and will be interpreted in accordance with, the substantive laws of the state of Minnesota (irrespective of any conflicts of laws); provided that the Minnesota Franchise Act and any other law or regulation applicable to the offer or sale of franchises or the franchise relationship will apply only if the jurisdictional provisions of the law are otherwise met. The choice of Minnesota law is not intended to incorporate into this Agreement any provisions not expressly stated herein. You waive, to the fullest extent permitted by law, the rights and protections provided by the Minnesota Franchise Act.

2. Our Rights. Whenever this Agreement provides that we have a certain right, that right is absolute and the parties intend that our exercise of that right will not be subject to any limitation or review. We have the right to operate, administrate, develop, and change the System in any manner that is not specifically precluded by the provisions of this Agreement, although this right does not modify any express limitations stated in this Agreement.

3. Our Reasonable Business Judgment. Whenever we reserve discretion in a particular area or where we agree to exercise our rights reasonably or in good faith, we will satisfy our obligations whenever we exercise Reasonable Business Judgment in making our decision or exercising our rights. Our decisions or actions will be deemed to be the result of Reasonable Business Judgment, even if other reasonable or even arguably preferable alternatives are available, if our decision or action is intended, in whole or significant part, to promote or benefit the System generally even if the decision or action also promotes our financial or other individual interest. Examples of items that will promote or benefit the System include, without limitation, enhancing the value of the Marks, improving member service and satisfaction, improving product quality, improving uniformity, enhancing or encouraging modernization and improving the competitive position of the System.

I. Venue. Any cause of action, claim, suit or demand allegedly arising from or related to the terms of this Agreement or the relationship of the parties that is not subject to arbitration under Section 12, must be brought in the Federal District Court for the District of Minnesota or in Hennepin County District Court, Fourth Judicial District, Minneapolis, Minnesota. Both parties irrevocably submit themselves to, and consent to, the jurisdiction of said courts. The provisions of this Section will survive the termination of this Agreement. You are aware of the business purposes and needs underlying the language of this Section, and with a complete understanding thereof, agree to be bound in the manner set forth.

J. Jury Waiver. All parties hereby waive any and all rights to a trial by jury in connection with the enforcement or interpretation by judicial process of any provision of this Agreement, and in connection with allegations of state or federal statutory violations, fraud, misrepresentation or similar causes of action or any legal action initiated for the recovery of damages for breach of this Agreement.

K. Waiver of Punitive Damages. You and us and our affiliates agree to waive, to the fullest extent permitted by law, the right to or claim for any punitive or exemplary damages against the other and agree that in the event of any dispute between them, each will be limited to the recovery of actual damages sustained.

L. Relationship of the Parties. You and we are independent contractors. Neither party is the agent, legal representative, partner, subsidiary, joint venturer or employee of the other. Neither party may obligate

the other or represent any right to do so. This Agreement does not reflect or create a fiduciary relationship or a relationship of special trust or confidence.

M. Adaptations and Variances. Complete and detailed uniformity under many varying conditions may not always be possible, practical, or in the best interest of the System. Accordingly, we have the right to vary the equipment offerings and other standards, specifications, and requirements for any franchised club or franchisee based upon the customs or circumstances of a particular franchise or operating agreement, site or location, population density, business potential, trade area population, existing business practice, competitive circumstance or any other condition that we deem to be of importance to the operation of such club or store, franchisee's business or the System. We are not required to grant to you a like or other variation as a result of any variation from standard operations, specifications or requirements granted to any other franchisee. You acknowledge that you are aware that our other franchisees operate under a number of different forms of agreement that were entered into at different times and that, consequently, the obligations and rights of the parties to other agreements may differ materially in certain instances from your rights and obligations under this Agreement.

N. Notice of Potential Profit. We and/or our affiliates may from time to time make available to you supplies, equipment, products and/or services for use in your Club on the sale of which we and/or our affiliates may make a profit. Further, we and/or our affiliates may from time to time receive consideration from suppliers and/or manufacturers in respect to sales of supplies, equipment, products or services to you or in consideration of services rendered or rights licensed to such persons. You agree that we and/or our affiliates are entitled to said profits and/or consideration.

O. Force Majeure. If a party's default under this Agreement (other than your obligations with respect to insurance and indemnification, to obtain a site and open the club within a specified period, and to pay all fees and other amounts due to us and our affiliates under this Agreement and any other agreement between you and us or our affiliates), is caused in whole or in part by a force majeure, such default and any right of the other party to terminate this Agreement for such default is suspended for as long as the default is reasonably caused by such force majeure. Any suspension is effective only from the delivery of a notice of the force majeure to the other party stating the party's intention to invoke the force majeure. However, if such suspension continues for longer than six months and the default still exists, either party has the right to terminate this Agreement upon 30 days notice to the other party. Events of force majeure are those that cannot be prevented, avoided or removed by the party invoking the force majeure despite the exercise of reasonable diligence, including acts of God, actions of the elements, lockouts, strikes, wars, riots, acts or terrorism, civil commotion, and acts of governmental authorities (not including a governmental authority's delaying or refusing to grant building permits, licenses and other permissions and approvals), and except as specifically provided for elsewhere in this Agreement.

P. Representations of Franchisee. As an inducement to us to grant you the franchise contemplated by this Agreement, you hereby acknowledge and represent to us the following (and agree to notify us immediately in writing upon the occurrence of any act or event that would render any representation incorrect):

1. Corporate Ownership. If you are a corporation, limited liability company, partnership or similar entity, you and each of your Owners represents and warrants that your ownership is completely and accurately listed on the Summary Page and that you will provide us with updated ownership information so that at all times the ownership information is current, complete and accurate. In addition, you represent and warrant that: (a) you are duly organized, in good standing and authorized to conduct business in your state of incorporation and the state where the Club is located; (b) you will confine your activities, and your governing documents will at all times provide that your activities are confined, exclusively to operating the Club or another club under a franchise agreement with us; (c) all assets used in the operation of the Club are owned or leased by you; and (d) you have and will maintain stop transfer instructions on your records against the transfer of equity securities except in compliance with this

Agreement and will only issue securities upon the face of which bear a legend, in a form satisfactory to us, which references the transfer restrictions imposed by this Agreement.

2. Patriot Act. You represent, warrant and certify that none of you, your affiliates, officers or directors or holders of any equity interest in you is or will be named as a “specially designated national” or “blocked person” (or other similar classification) as designed by the United States Department of The Treasury’s Office of Foreign Assets Control (or other applicable governmental agency).

3. Applicable Laws. You acknowledge that there may be federal, state and local laws (“**Applicable Laws**”) that may affect the operation of the Club, that may conflict with your obligation to comply with our Standards, and that may negatively impact the financial performance of the Club. These laws may exist today, or may be enacted in the future. It is solely your responsibility, both prior to and after purchasing the franchise, to identify, understand and comply with all Applicable Laws. In entering into this Agreement, you are not relying in any way upon any representation or warranty (express or implied) by us or anyone associated with us that our System or Standards complies with Applicable Laws.

IN WITNESS WHEREOF, the parties have executed this Franchise Agreement as of the dates written below.

**FRANCHISEE:** (For an entity)

Name of Entity: \_\_\_\_\_

Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**FRANCHISOR:** SNAP FITNESS, INC.

Signature: \_\_\_\_\_

Printed Name: Peter Taunton

Title: President/CEO

Date: \_\_\_\_\_

**FRANCHISEE:** (For an individual)

Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Date: \_\_\_\_\_

Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Date: \_\_\_\_\_

## Attachment A to the Franchise Agreement

### MARKS AND DESIGNATED AREA

**A. MARKS.** You have the right to use the following Marks in accordance with the terms of the Franchise Agreement:

Service Mark: SNAP FITNESS

Registration No.: 3107672

Service Mark: SNAP FITNESS fast – convenient - affordable

Filing No.: 3084847

We may amend this Attachment A from time to time in order to make available additional Marks or to delete those Marks that become unavailable. You agree to use only those Marks that are then currently authorized in this Attachment or the Manual.

**B. DESIGNATED AREA.** The “**Designated Area**” means the following area:

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If the Designated Area is not identified as of the date of this Franchise Agreement, we will determine the Designated Area when you sign the lease for the Authorized Location. The Designated Area will be an area of up to 3 driving miles from the Authorized Location as we determine in our sole judgment after a review of relevant factors (see Section 2.C).

The Designated Area may overlap with designated areas of other clubs. In the overlapping areas, each club is permitted to market and solicit for members (see Section 6.B). Once identified by us, the Designated Area is fixed for the initial term of the Franchise Agreement unless you relocate the Club and upon renewal or transfer (see Sections 4.B, 5.G, and 11.C). The driving miles are fixed as of the date the Designated Area is determined by us based on our mapping program used at the time the Designated Area is determined (currently, Googlemaps). No Designated Area will be enlarged due to any future road construction or other alteration.

**FRANCHISEE:** (For an entity)

**FRANCHISEE:** (For an individual)

Name of Entity: \_\_\_\_\_

Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Date: \_\_\_\_\_

**FRANCHISOR:**

SNAP FITNESS, INC.

Signature: \_\_\_\_\_

Printed Name: Peter Taunton

Title: President/CEO

Date: \_\_\_\_\_



**Attachment B to the Franchise Agreement**  
**INFORMATION RELEASE CONSENT**

The undersigned entered into a Franchise Agreement for the operation of a SNAP FITNESS® club under a license from Snap Fitness, Inc. In connection with the Franchise Agreement, I authorize Snap Fitness, Inc. to discuss with and obtain information from the third party providers for any SNAP FITNESS® club owned or guaranteed by my Principal Owners (directly or indirectly), including: (1) the landlord of the Club, (2) any lender providing financing for the Club or that holds any security interest in any of the assets of the Club or in the Franchisee (if a corporate entity), and (3) any other vendor or supplier for the Club. I authorize such persons to provide information regarding the SNAP FITNESS® club to Snap Fitness, Inc.

**FRANCHISEE: (For an entity)**

Name of Entity: \_\_\_\_\_

Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**FRANCHISEE: (For an individual)**

Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Date: \_\_\_\_\_

Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Date: \_\_\_\_\_

**Attachment C to the Franchise Agreement**  
**PERSONAL GUARANTEE AND AGREEMENT TO BE BOUND**  
**PERSONALLY BY THE TERMS AND CONDITIONS**  
**OF THE FRANCHISE AGREEMENT**

In consideration of the execution of the Franchise Agreement by us, and for other good and valuable consideration, the undersigned, for themselves, their heirs, successors, and assigns, do jointly, individually and severally hereby become surety and guarantor for the payment of all amounts and the performance of the covenants, terms and conditions in the Franchise Agreement, to be paid, kept and performed by the franchisee, including without limitation the arbitration and other dispute resolution provisions of the Agreement.

Further, the undersigned, individually and jointly, hereby agree to be personally bound by each and every condition and term contained in the Franchise Agreement, including but not limited to the non-compete provisions in paragraph 10.D, and agree that this Personal Guarantee will be construed as though the undersigned and each of them executed a Franchise Agreement containing the identical terms and conditions of this Franchise Agreement.

The undersigned waives: (1) notice of demand for payment of any indebtedness or nonperformance of any obligations hereby guaranteed; (2) protest and notice of default to any party respecting the indebtedness or nonperformance of any obligations hereby guaranteed; and (3) any right he/she may have to require that an action be brought against the franchisee or any other person as a condition of liability.

In addition, the undersigned consents and agrees that: (1) the undersigned's liability will not be contingent or conditioned upon our pursuit of any remedies against the franchisee or any other person; and (2) such liability will not be diminished, relieved or otherwise affected by franchisee's insolvency, bankruptcy or reorganization, the invalidity, illegality or unenforceability of all or any part of the Franchise Agreement, or the amendment or extension of the Franchise Agreement with or without notice to the undersigned.

It is further understood and agreed by the undersigned that the provisions, covenants and conditions of this Guarantee will inure to the benefit of our successors and assigns.

**FRANCHISEE:** \_\_\_\_\_ (insert name of entity)

**PERSONAL GUARANTORS:**

\_\_\_\_\_  
Individually

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Address

\_\_\_\_\_  
City      State      Zip Code

\_\_\_\_\_  
Telephone

\_\_\_\_\_  
Individually

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Address

\_\_\_\_\_  
City      State      Zip Code

\_\_\_\_\_  
Telephone

\_\_\_\_\_  
Individually

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Address

\_\_\_\_\_  
City      State      Zip Code

\_\_\_\_\_  
Telephone

\_\_\_\_\_  
Individually

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Address

\_\_\_\_\_  
City      State      Zip Code

\_\_\_\_\_  
Telephone



## Attachment D to the Franchise Agreement

### Electronic Transfer of Funds Authorization

Franchisee: \_\_\_\_\_

Location: \_\_\_\_\_

Date: \_\_\_\_\_

NEW	CHANGE

Attention: Bookkeeping Department

The undersigned hereby authorizes Snap Fitness, Inc., its parent company or any affiliated entity (collectively, "Snap Fitness"), to initiate weekly ACH debit entries against the account of the undersigned with you in payment of amounts for Continuing Fees, Advertising Fees or other amounts that become payable by the undersigned to Snap Fitness. The dollar amount to be debited per payment will vary.

Subject to the provisions of this letter of authorization, you are hereby directed to honor any such ACH debit entry initiated by Snap Fitness. This authorization is binding and will remain in full force and effect until 90 days prior written notice has been given to you by the undersigned. The undersigned is responsible for, and must pay on demand, all costs or charges relating to the handling of ACH debit entries pursuant to this letter of authorization. Please honor ACH debit entries initiated in accordance with the terms of this letter of authorization, subject to there being sufficient funds in the undersigned's account to cover such ACH debit entries.

\*\*\* We also need a VOIDED Check \*\*\*

_____
Bank Name
_____
Branch
_____
Street Address
_____
City
State
Zip Code
_____
Bank Telephone Number
_____
Bank's Account Number
_____
Customer's Account Number

Sincerely yours,

_____
Account Name
_____
Street Address
_____
City
State
Zip Code
_____
Telephone Number
_____
SIGNATURE: _____
Name: _____
Title: _____
Date: _____

**Attachment E to the Franchise Agreement**  
**LEASE ADDENDUM**

This Lease Addendum (“**Addendum**”) dated \_\_\_\_\_, 20\_\_\_\_, is entered into between \_\_\_\_\_ (“**Landlord**”), and \_\_\_\_\_ (“**Tenant**”).

**RECITALS**

- A. The parties have entered into a Lease Agreement, dated \_\_\_\_\_ (the “**Lease**”) for the premises located at \_\_\_\_\_ (the “**Premises**”).
- B. Tenant has agreed to use the Premises only for the operation of a SNAP FITNESS® Club pursuant to a franchise agreement (“Franchise Agreement”) with Snap Fitness, Inc. (“**Snap Fitness**”).
- C. The parties desire to amend the Lease in accordance with the terms and conditions contained in this Addendum.

**AGREEMENT**

1. Remodeling and Décor. Landlord agrees to allow Tenant to remodel, equip, paint and decorate the interior of the Premises and to display such proprietary marks and signs on the interior and exterior of the Premises pursuant to the Franchise Agreement and any successor Franchise Agreement.

2. Assignment. Tenant has the right to assign all of its right, title and interest in the Lease to Snap Fitness or its successor, or either company’s affiliates, at any time during the term of the Lease, including any extensions or renewals, without first obtaining Landlord’s consent. No assignment will be effective, however, until Snap Fitness or its successor or designated affiliate gives Landlord written notice of its acceptance of the assignment. If Snap Fitness elects to assume the lease under this paragraph or unilaterally assumes the lease as provided for in subparagraphs 3(c) or 4(a), Landlord and Tenant agree that (i) Tenant will remain liable for the responsibilities and obligations, including amounts owed to Landlord, prior to the date of assignment and assumption, and (ii) Snap Fitness will have the right to sublease the Premises to another SNAP FITNESS® franchisee, without further need for Landlord approval, provided the franchisee agrees to operate the Club as a SNAP FITNESS® Club pursuant to a franchise agreement with Snap Fitness. Snap Fitness will be responsible for the lease obligations incurred after the effective date of the assignment.

3. Default and Notice.

- (a) In the event there is a default or violation by Tenant under the terms of the Lease, Landlord agrees to give Tenant and Snap Fitness written notice of such default or violation within a reasonable time after Landlord knows of its occurrence. Landlord agrees to provide Snap Fitness the written notice of default as written and on the same day Landlord gives it to Tenant. Although Snap Fitness is under no obligation to cure the default, Snap Fitness will notify Landlord it intends to cure the default and unilaterally assume Tenant’s interest in the lease as provided in Paragraph 3(c). Snap Fitness will have an additional 15 days from the expiration of Tenant’s cure period in which to cure the default or violation.
- (b) All notices to Snap Fitness must be sent by registered or certified mail, postage prepaid, to the following address:

Snap Fitness, Inc.  
2411 Galpin Court, Suite 110  
Chanhassen, MN 55317  
(952) 474-5422

Snap Fitness may change its address for receiving notices by giving Landlord written notice of the new address. Landlord agrees to notify both Tenant and Snap Fitness of any change in Landlord's mailing address to which notices should be sent.

- (c) Upon Tenant's default and failure to cure a default under either the Lease or the Franchise Agreement, Snap Fitness has the right (but not the obligation) to unilaterally assume Tenant's interest in the Lease in accordance with Paragraph 2.

4. Termination or Expiration.

- (a) Upon the expiration or termination of the Franchise Agreement, Snap Fitness has the right (but not the obligation) to unilaterally assume Tenant's interest in the Lease in accordance with Paragraph 2.
- (b) Upon the expiration or termination of the Lease, if Snap Fitness does not assume Tenant's interest in the Lease, Landlord agrees to cooperate and allow Snap Fitness to enter the Premises, without cost and without being guilty of trespass and without incurring any liability to Landlord, to remove all signs and all other items identifying the Premises as a Snap Fitness Club and to make such other modifications as are reasonably necessary to protect the marks and system, and to distinguish the Premises from Snap Fitness Clubs. In the event Snap Fitness exercises its option to purchase assets of Tenant, Landlord agrees to permit Snap Fitness to remove all such assets being purchased by Snap Fitness.

5. Consideration; No Liability.

- (a) Landlord acknowledges that the provisions of this Addendum are required pursuant to the Franchise Agreement and that Tenant may not lease the Premises without this Addendum.
- (b) Landlord acknowledges that Tenant is not an agent or employee of Snap Fitness and Tenant has no authority or power to act for, or to create any liability on behalf of, or to in any way bind Snap Fitness or any affiliate of Snap Fitness and that Landlord has entered into this Addendum with full understanding that it creates no duties, obligations, or liabilities of or against Snap Fitness or any affiliate of Snap Fitness.
- (c) Nothing contained in this Addendum makes Snap Fitness or its affiliates a party or guarantor to the Lease, and does not create any liability or obligation of Snap Fitness or its affiliates.

6. Modification. No amendment or variation of the terms of this Addendum is valid unless made in writing and signed by the parties and the parties have obtained Snap Fitness's written consent.

7. Reaffirmation of Lease. Except as amended or modified by this Addendum, all of the terms, conditions, and covenants of the Lease remain in full force and effect.

8. Miscellaneous.

- (a) Snap Fitness is a third party beneficiary of this Addendum, with independent rights of enforcement.
- (b) References to the Lease and to the Franchise Agreement include all amendments, addenda, extensions, and renewals to the documents.
- (c) References to Landlord, Tenant, and Snap Fitness include the successors and assigns of each of the parties.

IN WITNESS WHEREOF, the parties have executed this Addendum as of the date written above.

TENANT:

LANDLORD:

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**Attachment F to the Franchise Agreement**  
**TELEPHONE NUMBER ASSIGNMENT AGREEMENT**

THIS TELEPHONE ASSIGNMENT AGREEMENT by and between the Franchisee identified below (“**Franchisee**”) and Snap Fitness, Inc. (hereinafter the “**Snap Fitness**”).

**BACKGROUND:**

- A. Snap Fitness has developed and owns the proprietary system (“**System**”) for the operation of a fitness club under the trademark and logo SNAP FITNESS® (the “**Club**”);
- B. Franchisee has been granted a franchise to operate a Club pursuant to a Franchise Agreement and in accordance with the System;
- C. In order to operate its Club, the Franchisee will be acquiring one or more telephone numbers, telephone listings and telephone directory advertisements; and
- D. As a condition to the execution of the Franchise Agreement, Snap Fitness has required that the Franchisee collaterally assign all of its right, title and interest in its telephone numbers, telephone listings and telephone directory advertisements to the Snap Fitness in the event of expiration or termination of the Franchise Agreement.

**AGREEMENT**

In consideration of the foregoing, the mutual premises herein contained and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound, hereby agree as follows:

1. Assignment. In the event of expiration or termination of the Franchise Agreement, and in order to secure continuity and stability of the operation of the Club, Franchisee hereby sells, assigns, transfers and conveys to the Snap Fitness all of its rights, title and interest in and to all telephone numbers, telephone listings and telephone directory advertisements used in connection with the operation of the Club; provided, however, such Assignment will not be effective unless and until the Franchise Agreement has expired or is terminated in accordance with the provisions thereof and Snap Fitness has delivered to Franchisee written notice of acceptance of the assignment. In the event of such assignment, Snap Fitness assumes no liability for monies owed or other liabilities relating to the telephone numbers, telephone listings, and telephone directory advertisements that have accrued prior to the effective date of the assignment.

Franchisee hereby grants to Snap Fitness an irrevocable power of attorney and appoint Snap Fitness as your attorney-in-fact to take any necessary actions to assign the telephone numbers, including but not limited to, executing any forms that the telephone companies may require to effectuate the assignment. This assignment is also for the benefit of the telephone companies, and Franchisee agrees that the telephone companies may accept this assignment and Snap Fitness’s instructions as conclusive evidence of its rights in the telephone numbers and our authority to direct the amendment, termination or transfer of the telephone numbers, as if they had originally been issued to Snap Fitness. In addition, Franchisee agrees to hold the telephone companies harmless from any and all claims against them arising out of any actions or instructions by Snap Fitness regarding the assignment contemplated in this Assignment.

2. Representation and Warranties of the Franchisee. Franchisee hereby represents, warrants and covenants to the Snap Fitness that: (a) As of the effective date of the Assignment, all of Franchisee’s obligations and indebtedness for telephone, telephone listing services and telephone directory advertisement services will be paid and current; (b) As of the date hereof, Franchisee has full power and legal right to enter into, execute, deliver and perform this Agreement; (c) This Agreement is a legal and binding obligation of Franchisee, enforceable in accordance with the terms hereof; (d) The execution, delivery and performance of this Assignment does not conflict with, violate, breach or constitute a default

under any contract, agreement or instrument to which Franchisee is a party or by which Franchisee is bound, and no consent of nor approval by any third party is required in connection herewith; and (e) Franchisee has the specific power to assign and transfer its right, title and interest in its telephone numbers, telephone listings and telephone directory advertisements, and Franchisee has obtained all necessary consents to this Assignment.

3. Cancellation. Notwithstanding the foregoing, Snap Fitness may, in its sole discretion and at any time prior to effectiveness of the assignment, declare this Agreement and the assignment contemplated hereunder null and void.

4. Miscellaneous. The validity, construction and performance of this Assignment is governed by the laws of the State of Minnesota. All agreements, covenants, representations and warranties made herein will survive the execution hereof. All rights of the Snap Fitness inure to its benefit and to the benefit of its successors and assigns.

IN WITNESS WHEREOF, each of the parties has executed this Assignment as of the Effective Date of the Franchise Agreement.

**FRANCHISEE:** (For an entity)

Name of Entity: \_\_\_\_\_

Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**FRANCHISEE:** (For an individual)

Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Date: \_\_\_\_\_

Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Date: \_\_\_\_\_

**FRANCHISOR:**

SNAP FITNESS, INC.

Signature: \_\_\_\_\_

Printed Name: Peter Taunton

Title: President/CEO

Date: \_\_\_\_\_

## Attachment G to the Franchise Agreement

### MEMBERSHIP CONTRACT ASSIGNMENT AGREEMENT

THIS MEMBERSHIP CONTRACT ASSIGNMENT AGREEMENT by and between the Franchisee identified below (“**Franchisee**”) and Snap Fitness, Inc. (hereinafter the “**Snap Fitness**”).

#### BACKGROUND:

- A. Snap Fitness has developed and owns the proprietary system (“**System**”) for the operation of a fitness club under the trademark and logo SNAP FITNESS® (the “**Club**”);
- B. Franchisee has been granted a franchise to operate a Club pursuant to a Franchise Agreement and in accordance with the System;
- C. During the term of the franchise, Franchisee will be entering to membership contracts with Club members permitting them access to the Club facilities (“**Membership Contracts**”); and
- D. As a condition to the execution of the Franchise Agreement, Snap Fitness has required that Franchisee collaterally assign all of its right, title and interest in the Membership Contracts to Snap Fitness in the event of expiration or termination of the Franchise Agreement;

#### AGREEMENT

In consideration of the foregoing, the mutual promises herein contained and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound, hereby agree as follows:

1. Assignment. In the event of expiration or termination of the Franchise Agreement, and in order to secure continuity and stability of the operation of the Club, Franchisee hereby sells, assigns, transfers and conveys to the Snap Fitness all of its rights, title and interest in and to all Membership Contracts; provided, however, such Assignment will not be effective unless and until the Franchise Agreement has expired or is terminated in accordance with the provisions thereof and Snap Fitness has delivered to Franchisee written notice of its acceptance of the assignment. In the event of such assignment, Snap Fitness will assume no liability for monies owed or other liabilities relating to the Membership Contracts that have accrued prior to the effective date of the assignment.
2. Representation and Warranties of the Franchisee. Franchisee hereby represents, warrants and covenants to Snap Fitness that:
  - (a) As of the effective date of the Assignment, all of Franchisee’s obligations under the Memberships Contracts have been satisfied;
  - (b) As of the date hereof, Franchisee has full power and legal right to enter into, execute, deliver and perform this Agreement;
  - (c) This Agreement is a legal and binding obligation of Franchisee, enforceable in accordance with the terms hereof;
  - (d) The execution, delivery and performance of this Assignment does not conflict with, violate, breach or constitute a default under any contract, agreement or instrument to which Franchisee is a party or by which Franchisee is bound, and no consent of nor approval by any third party is required in connection herewith; and
  - (e) Franchisee has the specific power to assign and transfer its right, title and interest in its Membership Contracts and Franchisee has obtained all necessary consents to this Assignment.
3. Cancellation. Notwithstanding the foregoing, Snap Fitness may, in its sole discretion and at any time prior to effectiveness of the assignment, declare this Agreement and the assignment contemplated hereunder null and void.

4. Miscellaneous. The validity, construction and performance of this Assignment is governed by the laws of the State of Minnesota. All agreements, covenants, representations and warranties made herein will survive the execution hereof. All rights of the Snap Fitness inure to its benefit and to the benefit of its successors and assigns.

IN WITNESS WHEREOF, each of the parties has executed this Assignment as of the Effective Date of the Franchise Agreement.

**FRANCHISEE:** (For an entity)

Name of Entity: \_\_\_\_\_

Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**FRANCHISEE:** (For an individual)

Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Date: \_\_\_\_\_

Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Date: \_\_\_\_\_

**FRANCHISOR:**

SNAP FITNESS, INC.

Signature: \_\_\_\_\_

Printed Name: Peter Taunton

Title: President/CEO

Date: \_\_\_\_\_



**Attachment H to the Franchise Agreement**  
**MARKET ACCELERATOR PROGRAM ADDENDUM**

This Market Accelerator Program Addendum (“**MAP Addendum**”) made between Snap Fitness, Inc., a Minnesota corporation with its principal business located at 2411 Galpin Ct, Suite 110, Chanhassen, MN 55317 (“**we**” or “**us**”), and the Franchisee identified in the Summary Page (“**you**”), to be effective on the Effective Date identified in the Summary Page.

**RECITALS**

- A. Contemporaneously with the execution of this Addendum, you are entering into three SNAP FITNESS® franchise agreements (each a “**Franchise Agreement**”) pursuant to our Market Accelerator Program (the “**MAP**”).
- B. The Clubs licensed under these Franchise Agreements together constitute the “**MAP Clubs**.”
- C. The parties desire to enter into this MAP Addendum in order to clarify certain obligations under the Franchise Agreements, as they relate to the MAP Clubs.

In consideration of the foregoing and the mutual covenants and consideration below, you and we agree as follows:

**AGREEMENT**

1. **Definitions.** Capitalized terms will have the meanings ascribed to them in the Franchise Agreement unless otherwise defined herein. The term “**this Agreement**” refers to the Franchise Agreement modified by this Addendum.
2. **Initial Franchise Fee.** The initial franchise fees applicable for the three MAP Agreements will be at total of \$45,000.
3. **Opening Schedule.** With respect to the MAP Clubs, the following timelines apply:

<b><i>MAP Club</i></b>	<b><i>Site Selection (Sections 2.B and 5.A)</i></b>	<b><i>Opening Deadline (Section 5.D)</i></b>
One MAP Club	Within 3 months of the Effective Date	Within 6 months of the Effective Date
Two MAP Clubs	Within 9 months of the Effective Date	Within 12 months of the Effective Date
Three MAP Clubs	Within 15 months of the Effective Date	Within 18 months of the Effective Date

4. **Failure to Meet Opening Schedule.** If any deadline in Section 3 above is not met, the following will apply:
- (a) If the MAP Club developed under this Agreement was open and operating at the time of the failure, this Agreement will be unaffected by such failure to open.
- (b) If the MAP Club developed under this Agreement was not open and operating at the time of the failure, we may, at our sole and unilateral option, (i) terminate this Agreement; or (ii) amend this Agreement to eliminate the designated protection afforded by Section 2.B and 2.C of this Agreement.
5. **Ratification.** All other terms and conditions of this Agreement are hereby ratified and confirmed.

Each of the undersigned hereby acknowledges having read and understood this Addendum and consents to be bound by all of its terms.

**FRANCHISEE:** (For an entity)

Name of Entity: \_\_\_\_\_

Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**FRANCHISEE:** (For an individual)

Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Date: \_\_\_\_\_

Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Date: \_\_\_\_\_

**FRANCHISOR:**

SNAP FITNESS, INC.

Signature: \_\_\_\_\_

Printed Name: Peter Taunton

Title: President/CEO

Date: \_\_\_\_\_

**Attachment I to the Franchise Agreement**

**FRANCHISEE ACKNOWLEDGMENT**

As you know, you and we are entering into a Franchise Agreement for the operation of a SNAP FITNESS® franchise. The purpose of this Acknowledgment Addendum is to determine whether any statements or promises were made to you that we have not authorized or that may be untrue, inaccurate or misleading, and to be certain that you understand the limitations on claims that may be made by you by reason of the offer and sale of the franchise and operation of your business. Please review each of the following questions carefully and provide honest responses to each question.

**Acknowledgments and Representations.\***

1. Did you receive a copy of our Disclosure Document at least 14 calendar days before signing the Franchise Agreement? Check one: ☐ Yes. ☐ No.
2. Have you studied and reviewed carefully our Disclosure Document and Franchise Agreement? Check one: ☐ Yes. ☐ No.
3. Is the name, address and phone number of any broker and each of our employees or representatives who was involved in offering you this franchise listed on the Disclosure Document receipt you signed (or on any updated receipt we provided to you)? Check one: ☐ Yes. ☐ No.
4. Do you understand that the Franchise Agreement contains the entire agreement between you and us concerning the franchise, meaning that any prior oral or written statements not included in the Franchise Agreement or our Disclosure Document will not be binding? Check one: ☐ Yes. ☐ No.
5. Do you understand that the success or failure of your business will depend in large part on your skills and experience, your business acumen, your location, the local market for products, interest rates, the economy, inflation, the number of employees you hire and their compensation, competition and other economic and business factors? Check one: ☐ Yes. ☐ No.
6. Do you understand that the franchise is granted for the right to operate the business at the Approved Location and that your Designated Area may overlap with the Designated Area of another franchisee? Check one: ☐ Yes. ☐ No.
7. Do you understand that the Franchise Agreement restricts us only from operating or granting others the right to operate a Snap Fitness Club physically located in your Designated Area, but that we and our affiliates may operate and grant similar or competitive businesses in your Designated Area under a different name? Check one: ☐ Yes. ☐ No.
8. Do you understand that we have the right to offer, sell or distribute items such as training videos, equipment, athletic gear, etc., associated with the System (now or in the future) or identified by the Marks, or any other trademarks, service marks or trade names, through any distribution channels or methods (including retail stores, mail order, wholesale, the Internet, or any other existing or future form of electronic commerce) in your Designated Area, and that you are not entitled to any compensation on account of the sales? Check one: ☐ Yes. ☐ No.
9. Do you understand that we have the right to provide and license third parties to provide the FitnessOnDemand™ program, and other ancillary programs developed by or for us or our affiliates, at host locations (such as apartments, condo associations, corporate office buildings, schools, community centers and other gyms and fitness centers) in your Designated Area? Check one: ☐ Yes. ☐ No.
10. Do you understand that your territorial protection excludes “Special Sites” in your Designated Area such as (1) military bases; (2) public transportation facilities, including, without limitation, airports, limited access highway travel plazas, and other transportation terminals; (3) sports facilities,

including race tracks; (4) student unions or other similar buildings on college or university campuses; (5) hotels, resorts or similar short-term lodging; (6) apartment or condominium complex; and (7) corporate office buildings or office parks, and that we may operate and grant others the right to operate SNAP FITNESS Clubs at Special Sites in your Designated Area? Check one: ☐ Yes. ☐ No.

11. Do you understand that if you fail to secure a site or open a club by the deadlines in the Franchise Agreement, your Designated Area protection and reservation can be removed by us and we may authorize another franchisee to locate in that area? Check one: ☐ Yes. ☐ No.
12. Do you understand that we or our affiliates may be the only approved supplier for certain products, that you will pay the then-current price in effect for the approved products and other goods and products you receive from us and our affiliates, and that that we may make a profit on those items? Check one: ☐ Yes. ☐ No.
13. Do you understand that you are bound by the non-compete covenants (both in-term and post-term) listed in Section 10 and that an injunction is an appropriate remedy to protect the interests of the System if you violate the covenant(s)? Further, do you understand that the term “you” for purposes of the non-compete covenants is defined broadly in Section 10, such that any actions in violation of the covenants by those holding any interest in the franchisee entity may result in an injunction, default and termination of the Franchise Agreement? Check one: ☐ Yes. ☐ No.

If you answered “No” to questions 1-13, please explain (attached additional sheets if necessary): \_\_\_\_\_

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14. Was any oral, written or visual claim or representation made to you which contradicted the disclosures in the Disclosure Document? Check one: ☐ Yes. ☐ No.
15. Except as stated in Item 19 of our Disclosure Document, was any oral, written or visual claim or representation made to you which stated, suggested, predicated or projected your sales, income or profit levels? Check one: ☐ Yes. ☐ No.
16. Except as stated in Item 19 of our Disclosure Document, did any employee or other person speaking on our behalf make any statement or promise regarding the costs involved in operating a franchise that is not contained in the Disclosure Document or that is contrary to or different from the information in the Disclosure Document? Check one: ☐ Yes. ☐ No.

If you answered “Yes” to questions 14-16, please explain in detail the claim, representation or statement (attached additional sheets if necessary): \_\_\_\_\_

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YOUR ANSWERS ARE IMPORTANT TO US AND WE WILL RELY ON THEM. BY SIGNING THIS ADDENDUM, YOU ARE REPRESENTING THAT YOU HAVE CONSIDERED EACH QUESTION CAREFULLY AND RESPONDED TRUTHFULLY TO THE ABOVE QUESTIONS.

\* Such representations are not intended to nor will they act as a release, estoppel or waiver of any liability incurred under the Illinois Franchise Disclosure Act or under the Maryland Franchise Registration and Disclosure Law.

**NOTE: IF THE FRANCHISEE IS A CORPORATION, PARTNERSHIP, LIMITED LIABILITY COMPANY OR OTHER ENTITY, AN OFFICER AND EACH OF ITS PRINCIPAL OWNERS MUST EXECUTE THIS ACKNOWLEDGMENT.**

Signed: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Date: \_\_\_\_\_

Signed: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Date: \_\_\_\_\_

Signed: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Date: \_\_\_\_\_

Signed: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Date: \_\_\_\_\_

**APPROVED ON BEHALF OF SNAP FITNESS, INC.**

Signed: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**ADDENDUM TO THE SNAP FITNESS FRANCHISE AGREEMENT  
FOR THE STATE OF ILLINOIS**

1. Section 4 of the Illinois Franchise Disclosure Act and Rule 200.608 of the Rules and Regulations promulgated thereunder dictate that “any provision in the Franchise Agreement which designates jurisdiction or venue in a forum outside of this State is void with respect to any cause of action which otherwise is enforceable in this State, provided that a Franchise Agreement may provide for arbitration in a forum outside of this State.”

2. Section 41 of the Illinois Franchise Disclosure Act and Rule 200.609 also void any attempt to waive compliance with Illinois law. Nothing in the Disclosure Document or the Franchise Agreement (or the attachments thereto) may require franchisees covered by the Illinois Franchise Disclosure Act to waive compliance with Illinois law. Any provision in the Franchise Agreement (including but not limited to any choice of law provision) that may be read as calling for application of a state law other than Illinois law is hereby deleted and franchisees covered by the Illinois Franchise Disclosure Act are entitled to the protections of Illinois law, notwithstanding any such provision. A franchisee who would otherwise enjoy the protections of the Illinois Franchise Disclosure Act will continue to have those protections despite anything to the contrary in the Franchise Agreement, including but not limited to the language in Section 15.H.1.

3. Each provision of this addendum is effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Illinois Franchise Disclosure Act are met independently without reference to this addendum.

Each of the undersigned hereby acknowledges having read and understood this Addendum and consents to be bound by all of its terms.

**FRANCHISEE:** (For an entity)

Name of Entity: \_\_\_\_\_

Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**FRANCHISEE:** (For an individual)

Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Date: \_\_\_\_\_

Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Date: \_\_\_\_\_

**FRANCHISOR:**

SNAP FITNESS, INC.

Signature: \_\_\_\_\_

Printed Name: Peter Taunton

Title: President/CEO

Date: \_\_\_\_\_

**ADDENDUM TO SNAP FITNESS FRANCHISE AGREEMENT FOR  
THE STATE OF MARYLAND**

Even though there may be terms in the Disclosure Document or the Franchise Agreement to the contrary, the following provisions will apply to franchisees protected by terms of the Maryland Franchise Registration and Disclosure Law:

1. The franchisee is not required to commence litigation in Minnesota, but, instead, may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.
2. None of the representations required to be made by the franchisee to Snap Fitness in the documents to be executed by the franchisee are intended to act as, and the party agree that they shall not be deemed to constitute, a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.
3. Any general release required as a condition of renewal, sale, and/or assignment/transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

Each of the undersigned hereby acknowledges having read and understood this Addendum and consents to be bound by all of its terms.

**FRANCHISEE: (For an entity)**

Name of Entity: \_\_\_\_\_

Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**FRANCHISEE: (For an individual)**

Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Date: \_\_\_\_\_

Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Date: \_\_\_\_\_

**FRANCHISOR:**

SNAP FITNESS, INC.

Signature: \_\_\_\_\_

Printed Name: Peter Taunton

Title: President/CEO

Date: \_\_\_\_\_

**ADDENDUM TO THE SNAP FITNESS FRANCHISE AGREEMENT  
FOR THE STATE OF MINNESOTA**

This Addendum pertains to franchises sold in the State of Minnesota and is for the purpose of complying with Minnesota statutes and regulations. Notwithstanding anything which may be contained in the body of the Franchise Agreement to the contrary, the Agreement is amended as follows:

1. We will undertake the defense of any claim of infringement by third parties involving the SNAP FITNESS mark, and you will cooperate with the defense in any reasonable manner prescribed by us with any direct cost of such cooperation to be borne by us.
2. Minnesota law provides franchisees with certain termination and nonrenewal rights. As of the date of this Franchise Agreement, Minn. Stat. Sec. 80C.14, Subd. 3, 4 and 5 require, except in certain specified cases, that a franchisee be given 90 days notice of termination (with 60 days to cure) and 180 days notice for nonrenewal of the franchise agreement.
3. Section 13.E (Liquidated Damages) of the Franchise Agreement is deleted.
4. Section 14.C (Claims) is amended to provide that any claims arising under the Minnesota Franchise Act must be brought within three years after the date the cause of action accrues.
5. Section 15.J (Jury Waiver) and Section 15.K (Waiver of Punitive Damages) are hereby deleted.
6. No Section providing for a general release as a condition of renewal or transfer will act as a release or waiver of any liability incurred under the Minnesota Franchise Act; provided, that this part shall not bar the voluntary settlement of disputes.
7. Each provision of this Addendum is effective only to the extent, with respect to such provision, that the jurisdictional requirements of Minnesota Statutes Sections 80C.01 to 80C.22 are met independently without reference to this addendum.

Each of the undersigned hereby acknowledges having read and understood this Addendum and consents to be bound by all of its terms.

**FRANCHISEE:** (For an entity)

Name of Entity: \_\_\_\_\_

Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**FRANCHISEE:** (For an individual)

Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Date: \_\_\_\_\_

Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Date: \_\_\_\_\_

**FRANCHISOR:**

SNAP FITNESS, INC.

Signature: \_\_\_\_\_

Printed Name: Peter Taunton

Title: President/CEO

Date: \_\_\_\_\_



**ADDENDUM TO THE SNAP FITNESS FRANCHISE AGREEMENT  
FOR THE STATE OF NORTH DAKOTA**

With respect to franchises falling within the scope of the North Dakota Franchise Investment Law, the Franchise Disclosure Document and Franchise Agreement are hereby amended as follows:

1. The State of North Dakota has determined that the following types of provisions are deemed to be contrary to North Dakota law:

(a) A provision requiring a North Dakota franchisee to sign a general release upon renewal of the franchise agreement;

(b) A provision requiring a North Dakota franchisee to consent to termination penalties or liquidated damages;

(c) A provision requiring a North Dakota franchisee to consent to the jurisdiction of courts outside the state of North Dakota;

(d) A provision restricting the time in which a North Dakota franchisee may make a claim to less than the applicable North Dakota statute of limitations;

(e) A provision calling for the waiver by a North Dakota franchisee of the right to trial by jury;

(f) A provision requiring a North Dakota franchisee to consent to a waiver of exemplary and punitive damages.

Any and all provisions in the Franchise Agreement that are in violation of Paragraphs 5 (a-f) are deleted.

2. North Dakota Century Code Section 9-08-06 subjects covenants not to compete to the provisions of that statute. The covenants not to compete contained within the franchise agreement are subject to Section 9-08-06 and may be unenforceable under North Dakota law.

3. The site of any mediation or arbitration of the parties' disputes will be at a site mutually agreeable to all parties. If all parties cannot agree upon a location, the arbitration or mediation will be Fargo, North Dakota.

4. Each provision of this Addendum is effective only to the extent, with respect to such provision, that the jurisdictional requirements of the North Dakota Franchise Investment Law are met independently without reference to this addendum

Each of the undersigned hereby acknowledges having read and understood this Addendum and consents to be bound by all of its terms.

**FRANCHISEE:** (For an entity)

Name of Entity: \_\_\_\_\_

Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**FRANCHISOR:**

SNAP FITNESS, INC.

Signature: \_\_\_\_\_

Printed Name: Peter Taunton

Title: President/CEO

Date: \_\_\_\_\_

**FRANCHISEE:** (For an individual)

Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Date: \_\_\_\_\_

Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Date: \_\_\_\_\_



***EXHIBIT D***  
**FRANCHISEE LIST**

**SNAP FITNESS FRANCHISEES**  
**OPEN CLUBS AS OF DECEMBER 31, ~~2012~~2013**

Franchisee Name	Phone	Address	City	State	Zip
<del>Logan, Robert</del>	<del>251-679-5554</del>	<del>25 Shelton Beach Rd.</del>	<del>Saraland</del>	<del>AL</del>	<del>36571</del>
Bergeron, Josh	205-822-4FIT (4348)	2512 Rocky Ridge Road	Birmingham	AL	35243
<del>Logan, Robert</del>	<del>251-626-0320</del>	<del>6450 US Hwy 90</del>	<del>Spanish Fort</del>	<del>AL</del>	<del>36527</del>
<del>Riekhof, Jack</del>	<del>205-331-4772</del>	<del>7402 Hwy 69 South</del>	<del>Tuscaloosa</del>	<del>AL</del>	<del>35405</del>
<del>Holliman, Wayne</del>	<del>205-678-4701</del>	<del>20 Chelsea Corners</del>	<del>Chelsea</del>	<del>AL</del>	<del>35043</del>
<del>Williams, Ralph Edward</del>	<del>205-664-2600</del>	<del>2600 Hwy. 58</del>	<del>Helena</del>	<del>AL</del>	<del>35080</del>
<del>Pearce, Lee</del>	<del>205-202-4010</del>	<del>2835 Highland Avenue</del>	<del>Birmingham</del>	<del>AL</del>	<del>35205</del>
<del>Magee, Julie</del>	<del>251-580-0810</del>	<del>201 Chamber Dr.</del>	<del>Bay Minette</del>	<del>AL</del>	<del>36507</del>
<del>Buttram, Greg and Robin</del>	<del>256-281-3020</del>	<del>777 US Hwy. 431</del>	<del>Boaz</del>	<del>AL</del>	<del>35957</del>
Buttram, Greg and Robin	256-273-0400	2605 Gault Ave. North	Ft. Payne	AL	35967
<del>Adkison, Kevin</del> <del>Buttram, Greg and Robin</del>	<del>256-281-3020</del> <del>479-890-7627</del>	<del>777 US Hwy. 431</del> <del>501 North Arkansas Avenue Suite B</del>	<del>Boaz</del> <del>Russellville</del>	<del>AR</del> <del>AL</del>	<del>72802</del> <del>35957</del>
<del>Chocolate Dog LLC</del> <del>Faucette, George</del>	<del>205-202-4010</del> <del>479-443-SNAP(7627)</del>	<del>2835 Highland Avenue</del> <del>1261 Steamboat Drive</del>	<del>Birmingham</del> <del>Fayetteville</del>	<del>AR</del> <del>AL</del>	<del>35205</del> <del>72703</del>
<del>Rahn, Bill</del> <del>Core Fitness, LLC</del>	<del>251-679-5554</del> <del>501-353-0224</del>	<del>25 Shelton Beach Rd.</del> <del>400 North Bowman Road</del>	<del>Saraland</del> <del>Little Rock</del>	<del>AL</del> <del>AR</del>	<del>72214</del> <del>36571</del>
<del>Rahn, Bill</del> <del>Core Fitness, LLC</del>	<del>251-626-0320</del> <del>501-246-8266</del>	<del>6450 US Hwy 90</del> <del>401 W. Capitol Ave.</del>	<del>Spanish Fort</del> <del>Little Rock</del>	<del>AR</del> <del>AL</del>	<del>72204</del> <del>36527</del>
<del>Robles, Frank</del> <del>Fitness Investors, Inc.</del>	<del>205-678-4701</del> <del>520-546-1114</del>	<del>20 Chelsea Corners</del> <del>8832 East Broadway Blvd.</del>	<del>Chelsea</del> <del>Tucson</del>	<del>AZ</del> <del>AL</del>	<del>85710</del> <del>35043</del>
<del>Huntoon, Lyle</del> <del>Mitch, McDonald</del>	<del>205-331-4772</del> <del>480-755-7627</del>	<del>7402 Hwy 69 South</del> <del>2025 S Alma School Road</del>	<del>Tuscaloosa</del> <del>Mesa</del>	<del>AZ</del> <del>AL</del>	<del>85210</del> <del>35405</del>
<del>Robles, Frank</del> <del>The Magee Agency, LLC</del>	<del>251-580-0810</del> <del>520-293-4584</del>	<del>201 Chamber Dr.</del> <del>5095 North La Canada Blvd.</del>	<del>Bay Minette</del> <del>Tucson</del>	<del>AZ</del> <del>AL</del>	<del>85704</del> <del>36507</del>
<del>Schaubach, Joshua</del> <del>Williams, Ralph Edward</del>	<del>205-664-2600</del> <del>928-782-3939</del>	<del>2600 Hwy. 58</del> <del>2780 South Pacific Ave.</del>	<del>Helena</del> <del>Yuma</del>	<del>AZ</del> <del>AL</del>	<del>85365</del> <del>35080</del>
<del>Walker, Jacob</del> <del>B&amp;A Health And Fitness LLC</del>	<del>501-353-0224</del> <del>520-423-0123</del>	<del>400 North Bowman</del> <del>1667 N. Trekell Road</del>	<del>Little Rock</del> <del>Casa Grande</del>	<del>AR</del> <del>AZ</del>	<del>85122</del> <del>72211</del>
<del>DeGroote, David</del> <del>B&amp;A Health And Fitness LLC</del>	<del>501-246-8266</del> <del>480-837-3901</del>	<del>1401 W. Capitol Ave.</del> <del>13525 N. Fountain Hills Blvd.</del>	<del>Little Rock</del> <del>Fountain Hills</del>	<del>AZ</del> <del>AR</del>	<del>85268</del> <del>72201</del>
<del>Conrad, Keith</del> <del>FOSS Inc.</del>	<del>928-479-443</del> <del>13097627</del>	<del>1261 Steamboat Drive</del> <del>2971 Willow Creek Rd</del>	<del>Fayetteville</del> <del>Prescott</del>	<del>AZ</del> <del>AR</del>	<del>72703</del> <del>86304</del>
<del>Sehenk, Rex</del> <del>Kevin's Fitness, Inc.</del>	<del>479-890-7627</del> <del>480-987-1255</del>	<del>501 North Arkansas Avenue Suite B</del> <del>21258 E. Rittenhouse</del>	<del>Russellville</del> <del>Queen Creek</del>	<del>AZ</del> <del>AR</del>	<del>85142</del> <del>72802</del>
<del>Mangum, Kurt</del> <del>&amp; Lachele Apex Physical Conditioning and Fitness, LLC</del>	<del>480-840-6363</del> <del>3837-3901</del>	<del>1459 S Higley Rd</del> <del>13525 N. Fountain Hills Blvd.</del>	<del>Gilbert</del> <del>Fountain Hills</del>	<del>AZ</del>	<del>85296</del> <del>85268</del>
<del>Heinfeld, Gary</del> <del>Arizona Fitness, LLC</del>	<del>480-840-6363</del> <del>520-395-2210</del>	<del>1459 S Higley Rd</del> <del>8567 N Silverbell</del>	<del>Gilbert</del> <del>Tucson</del>	<del>AZ</del>	<del>85296</del> <del>85743</del>
<del>Sacks, Steele</del> <del>Conrad Fitness, LLC</del>	<del>928-284-0554</del> <del>443-1309</del>	<del>6560 AZ-179</del> <del>2971 Willow Creek Rd</del>	<del>Sedona Village of Oak Creek</del> <del>Prescott</del>	<del>AZ</del>	<del>86354</del> <del>86301</del>
<del>Conrad, Keith</del> <del>Fitness, LLC</del>	<del>928-776-0355</del>	<del>1454 West Gurley St.</del>	<del>Prescott</del>	<del>AZ</del>	<del>86305</del>
<del>Robles, Frank</del> <del>Conrad Fitness, LLC</del>	<del>928-775-0888</del> <del>520-572-8788</del>	<del>6455 North Viewpoint Drive</del> <del>7545 S Houghton Rd.</del>	<del>Prescott Valley</del> <del>Tucson</del>	<del>AZ</del>	<del>86314</del> <del>85747</del>
<del>Sacks, Steele</del> <del>DSF Express-2, LLC</del>	<del>520-546-1114</del> <del>928-649-1905</del>	<del>8832 East Broadway Blvd.</del> <del>976 South Main Street</del>	<del>Tucson</del> <del>Cottonwood</del>	<del>AZ</del>	<del>85710</del> <del>86326</del>
<del>Trahan, David</del> <del>DSF Express-6, LLC</del>	<del>520-293-1584</del> <del>928-282-7627 (SNAP)</del>	<del>5095 North La Canada Blvd.</del> <del>400 Finnie Flat Rd Suite 1A</del>	<del>Tucson</del> <del>Camp Verde</del>	<del>AZ</del>	<del>85704</del> <del>86322</del>
<del>Conrad, Keith</del> <del>DSF Express-Four, LLC</del>	<del>520-572-8788</del> <del>928-775-0888</del>	<del>7545 S Houghton Rd.</del> <del>6455 North Viewpoint Drive</del>	<del>Tucson</del> <del>Prescott Valley</del>	<del>AZ</del>	<del>85747</del> <del>86314</del>
<del>Sacks, Steele</del> <del>Dynamite Fitness, LLC</del>	<del>928-282-2139</del> <del>522-6600</del>	<del>2081 West SR-89A</del> <del>7810 North Hwy. 89</del>	<del>Flagstaff</del> <del>Sedona</del>	<del>AZ</del>	<del>86336</del> <del>86304</del>
<del>Pritchard, Lenn</del> <del>Giaconda Properties Inc</del>	<del>520-395-2210</del> <del>480-595-0092</del>	<del>8567 N Silverbell</del> <del>4705 E. Carefree Hwy Suite 131</del>	<del>Tucson</del> <del>Cave Creek</del>	<del>AZ</del>	<del>85743</del> <del>85334</del>
Moore, Jon	480-369-4457	990 East Riggs Rd.	Chandler	AZ	85249
<del>Natural Fitness LLC</del>	<del>480-755-7627</del>	<del>2025 S Alma School Road</del>	<del>Mesa</del>	<del>AZ</del>	<del>85210</del>
<del>Neutrax LLC</del>	<del>520-423-0123</del>	<del>1667 N. Trekell Road</del>	<del>Casa Grande</del>	<del>AZ</del>	<del>85122</del>
<del>Real Vestra, LLC</del>	<del>928-282-7627</del>	<del>400 Finnie Flat Rd Suite 1A</del>	<del>Camp Verde</del>	<del>AZ</del>	<del>86322</del>
<del>Trahan, David</del> <del>Real Vestra, LLC</del>	<del>520-350-9252</del>	<del>1491 N. Arizona Blvd.</del>	<del>Coolidge</del>	<del>AZ</del>	<del>85128</del>

Franchisee Name	Phone	Address	City	State	Zip
Snap Fitness Cottonwood, Inc.	928-649-1905	976 South Main Street	Cottonwood	AZ	86326
Snap Fitness Sedona VOC, Inc.	928-284-0554	6560 AZ-179	Sedona-Village of Oak Creek	AZ	86351
Snap West Sedona, Inc.	928-282-2139	2081 West SR-89A	Sedona	AZ	86336
Sound Mind Investments#1, LLC	480-987-1255	21258 E. Rittenhouse	Queen Creek	AZ	85142
The Degrees of Fitness LLC	928-782-3939	2780 South Pacific Ave.	Yuma	AZ	85365
Chatman, ArnellAllen C. Hall, Inc.	650-948-5500408-363-8018	410 W. Capitol Expressway955 Fremont Ave.	San JoseLos Altos	CA	9513694024
Breazeale, Cynthia and RobertBurch Industries, Inc.	925-938-8006916-939-9141	1533A Palos Verdes Mall2203 Francisco Dr.	Walnut CreekEl Dorado Hills	CA	9459795762
Cutler, AllenCutting Edge Fitness, LLC	626-403-6463	807-A Meridian Ave.	South Pasadena	CA	91030
Double TT, Inc.	559-594-4317	161 North E Street	Exeter	CA	93221
Fit & Happy, LLC	510-226-7627	43480 Mission Blvd	Fremont	CA	94539
Juza, KevinHealthy Aspirations, Inc.	760-758-7627	950 E. Vista Way	Vista	CA	92084
Chatman, Arnell	650-365-7627	3209 Oak Knoll Drive	Redwood City	CA	94062
Loveall, Thomas	559-635-7627	2040 S. Mooney Blvd.	Visalia	CA	93277
Juza, KevinHealthy Aspirations, Inc.	760-746-7627	2355 East Valley Pkwy	Escondido	CA	92027
Cotton, Rod	408-260-1111	60 N. Winchester Blvd.	Santa Clara	CA	95050
von dem Hagen, PeterMuhek, Michael	805-929-2900650-393-5625	1232671 W. Hillsdale BlvdTefft St.	San MateoNipomo	CA	9440393444
Nadal, TomOC Health & Fitness, Inc.	714-769-7627	8412 E Chapman Ave	Orange	CA	92869
Nadal, TomOC Health & Fitness, Inc.	714-633-7627	303 E. Katella Avenue	Orange	CA	92867
Burch, Greg	925-938-8006	1533A Palos Verdes Mall	Walnut Creek	CA	94597
Ward, Thomas	408-848-8701	8050 Santa Teresa Blvd.	Gilroy	CA	95020
Monahan, Mike	925-693-0110	6200 Center Street	Clayton	CA	94517
Jackson, Ben & Melody	559-299-3488	2141 Shaw Ave	Clovis	CA	93611
Mason, Dana	510-226-7627	43480 Mission Blvd	Fremont	CA	94539
Puhek, Michael	805-929-2900	671 W. Tefft St.	Nipomo	CA	93444
Loveall, Thomas	559-594-4317	161 North E Street	Exeter	CA	93221
Ward, Thomas	831-783-0330	1128 South Main Street	Salinas	CA	93901
Hall, Allen	650-948-5500	955 Fremont Ave.	Los Altos	CA	94024
Breazeale, Cynthia and Robert	916-933-9448	2222 Francisco Dr. #290	El Dorado Hills	CA	95762
Tonelli, AlexPollock Pines 24-7 Fitness LLC	(530)-344-7027	6454 Pony Express Trail	Pollock Pines	CA	95726
Ward, ThomasRod Cotton Fitness, LLC	408-260-1111831-373-3990	60 N. Winchester Blvd.399 Lighthouse Avenue	Santa ClaraMonterey	CA	9394095050
Tonelli, AlexRTR Group, LLC	650-993-8224365-7627	6403 Mission Street3209 Oak Knoll Drive	DalyRedwood City	CA	9401494062
Schaubach, Joshua	760-259-1212	1692 South 4th Street	El Centro	CA	92243
SL Ventures Inc.	925-693-0110	6200 Center Street	Clayton	CA	94517
V.D. Hagen, Inc.	650-393-5625	1232 W. Hillsdale Blvd.	San Mateo	CA	94403
Valley Breeze Fitness, LLC	916-933-9448	2222 Francisco Dr. #290	El Dorado Hills	CA	95762
Vox Minerva, LLC	650-993-8224	6403 Mission Street	Daly City	CA	94014
WARDFIT LLC	408-848-8701	8050 Santa Teresa Blvd.	Gilroy	CA	95020
WARDFIT LLC	831-373-3990	399 Lighthouse Avenue	Monterey	CA	93940
WardFit, LLC	831-783-0330	1128 South Main Street	Salinas	CA	93901
Colorado Fitness Solutions, Inc.	303-904-7627	8351 N. Rampart Range Road	Littleton	CO	80125
Corso Fitness, LLC	303-833-2222	8350 Colorado Blvd.	Firestone	CO	80504
Foothills Fitness, LLC	720-890-7004	165 McCaslin Blvd	Louisville	CO	80027
G&J Associates, Inc.Macfarlane, Jackie and Graham	303-659-1261	35 North 42nd Ave.	Brighton	CO	80601
Macfarlane, Jackie and Graham	303-289-7333	18240 E. 104th Ave.	Commerce City	CO	80022
Stamm, Bob	970-523-7627	569 32 Rd.	Grand Junction	CO	81504
Carley, Milo	970-472-1777	1015 South Taft Hill Rd.	Fort Collins	CO	80521

Franchisee Name	Phone	Address	City	State	Zip
<del>Macfarlane, Jackie and Graham</del> <del>G&amp;J Associates, Inc.</del>	970-454-3741	201 South Elm	Eaton	CO	80615
Goldman, Dennis and Edna	303-757-7627	1441 South Holly St.	Denver	CO	80222
<del>Cochran, Kevin</del>	<del>720-890-7004</del>	<del>165 South McCaslin Blvd</del>	<del>Louisville</del>	<del>CO</del>	<del>80027</del>
<del>Hurley Training LLC</del> <del>Diebel, Brian</del>	970-468-9801	358 Blue River Pkwy Suite B	Silverthorne	CO	80498
<del>Kramer, Pam</del> <del>M&amp;G Fitness, Inc.</del>	<del>970-344-5072</del> <del>303-904-7627</del>	<del>939 Mountain Avenue</del> <del>8351 N. Rampart Range Road</del>	<del>Berthoud</del> <del>Littleton</del>	CO	<del>80125</del> <del>80513</del>
<del>Macfarlane, Jackie and Graham</del> <del>Kauffman, Carol</del>	303-833-9980	18240 E. 104th Ave.	Commerce City	CO	80022
<del>Spinner, Inc.</del>	970-472-1777	1015 South Taft Hill Rd.	Fort Collins	CO	80521
<del>Smith, Matt</del> <del>Utopia Enterprises, Inc.</del>	719-544-7627	198279 South Purcell Blvd.	Pueblo West	CO	81007
<del>Carley, Milo</del>	<del>970-344-5072</del>	<del>939 Mountain Avenue</del>	<del>Berthoud</del>	<del>CO</del>	<del>80513</del>
<del>Swedrock, Brian</del> <del>JoyDale Enterprises LLC</del>	<del>860-552-2018</del> <del>203-304-1487</del>	123 South 266 East Main Street	Newtown	CT	64706
<del>Taylor, Jeff</del> <del>Lee Fitness, LLC</del>	203-296-4576	345 Hawley Ln.	Stratford	CT	6614
<del>Pellegatto, Michele</del>	<del>860-581-4014</del>	<del>260 West Main St.</del>	<del>Avon</del>	<del>CT</del>	<del>6001</del>
O'Rourke, John	203-463-4224	656 New Haven Ave.	Derby	CT	6418
<del>Athanas, Dale</del> <del>Swedrock Strength LLC</del>	<del>203-304-1487</del> <del>860-552-2018</del>	266 East 123 South Main Street	Clinton	CT	64136
<del>Mooneyham, Greg</del> <del>Welcome Fitness, LLC</del>	<del>860-581-4014</del> <del>302-266-0975</del>	260 West Main St.	Capitol Trail	DE	19714
<del>Koff, Jeffrey</del>	<del>302-235-2180</del>	7209 Lancaster Pike	Hockessin	DE	19707
<del>Hardy, Stephen</del>	<del>302-653-8023</del>	665 South Carter Road	Smyrna	DE	19977
<del>Hardy, Stephen</del>	<del>302-741-2444</del>	1030 Forrest Ave.	Dover	DE	19901
<del>Mooneyham, Greg</del>	<del>302-326-1212</del>	1214 Beaver Brook Plaza	New Castle	DE	19720
Hardy, Stephen	302-376-6969	312 E Main St.	Middletown	DE	19709
<del>Mooneyham, Greg</del> <del>JEFFKO, Inc.</del>	<del>302-235-2180</del> <del>813-814-4984</del>	7209 Lancaster Pike	Race Track Rd	FL	33626
<del>Franz, John</del>	<del>850-678-7627</del>	144 Palm Blvd	Niceville	FL	32578
<del>Peek, Shannon</del>	<del>904-738-8325</del>	1661 Riverside Ave	Jacksonville	FL	32204
<del>Thomas, Scott</del>	<del>813-671-1200</del>	11369 Big Bend Rd.	Riverview	FL	33569
<del>Simpson, Alvin</del>	<del>941-766-7627</del>	701 JC Center Court	Port Charlotte	FL	33954
<del>Dorrian, Richard</del> <del>JRG Fitness Operations, LLC</del>	<del>302-261-8138</del> <del>239-949-4600</del>	1252 Capitol Trail	Tamiami	FL	33928
<del>Peek, Shannon</del> <del>JRG Fitness Operations, LLC</del>	<del>302-326-1212</del> <del>904-240-1879</del>	1214 Beaver Brook Plaza	Southside Blvd.	FL	32216
<del>Larremore, Ben</del>	<del>850-515-0060</del>	8259 Navarre Parkway	Navarre	FL	32566
<del>Pridemore, James</del>	<del>407-977-0505</del>	1949 CR 419	Oviedo	FL	32766
<del>Mooneyham, Greg</del>	<del>727-489-7500</del>	2661 East Lake Rd	Palm Harbor	FL	34685
<del>Radell, Jane</del> <del>Soho Fitness Partners, LLC</del>	<del>302-653-8023</del> <del>386-423-8995</del>	665 South Carter Road	Luna Bella Lane	FL	32168
<del>Gravino, Tim</del> <del>SoHo Fitness Partners, LLC</del>	<del>302-741-2444</del> <del>813-341-7627</del>	1030 Forrest Ave.	Fish Hawk Blvd	FL	32168
<del>Felts, Jason</del>	<del>904-992-9797</del>	3267 Hodges Boulevard	Jacksonville	FL	32224
<del>Whited, Andrew</del> <del>A&amp;M Fitness, LLC</del>	850-362-6871	232 Racetrack Rd NE	Fort Walton Beach	FL	32547
<del>Day Off, Inc.</del>	<del>941-766-7627</del>	701 JC Center Court	Port Charlotte	FL	33954
Ellis, Steve and Marianne	407-359-0519	2200 Winter Springs Blvd.	Oviedo	FL	32765
Fishhawk Fitness LLC	813 341-7627	15276 FishHawk Blvd	Lithia	FL	33547
Franz Enterprises of Niceville, Inc.	850-678-7627	144 Palm Blvd	Niceville	FL	32578
<del>Franz, John Enterprises of Niceville, LLC</del>	850-279-4994	4576 Highway 20 East	Niceville	FL	32578
Rousseau, Marilyn	954-436-7627	17195 Miramar Parkway	Miramar	FL	33027
<del>Katsarelis, Stephen</del> <del>and Annica</del> <del>Galaxy Fitness Corp</del>	<del>863-983-3000</del> <del>727-937-4999</del>	920 West Sugarland Highway	852 E. Tarpon Ave.	FL	34689
<del>Sikes, Barry</del> <del>JAF Properties, LLC</del>	<del>904-992-9797</del> <del>941-896-8817</del>	3267 Hodges Boulevard	3541 53rd Ave W	FL	32224
JBF Fitness, Inc.	904-738-8325	2216 Oak Street	Jacksonville	FL	32204
JRG Fitness Operations, LLC	813-814-1984	12611 Race Track Rd	Tampa	FL	33626

Franchisee Name	Phone	Address	City	State	Zip
Mooneyham, Greg JRG Fitness Operations, LLC	727-330-7570	1370 Tampa Rd.	Palm Harbor	FL	34683
JTK Destination Fitness LLC	386-423-8995	424 Luna Bella Lane	New Smyrna Beach	FL	32168
Rivenbark, LA Martin, LLC	941-377-5646	5802 Bee Ridge Road	Sarasota	FL	34232
Larremore Enterprises of NW Florida, Inc.	850-515-0060	8259 Navarre Parkway	Navarre	FL	32566
Levy, Jordan	813-994-4434	19402 N. Bruce B. Downs Blvd	Tampa	FL	33647
Levy, Jordan	813-322-3122	10613 Sheldon Rd.	Tampa	FL	33626
Rousseau, Marilyn MO Fitness Inc	941-896-8817 863-983-3000	3541 53rd Ave W 920 West Sugarland Highway	Bradenton Clewiston	FL	33440 34210
Neighbor Fitness, LLC	407-977-0505	1949 CR 419	Oviedo	FL	32766
Schlörrian Enterprises, LLC	239-949-4600	20041 S. Tamiami Trail	Estero	FL	33928
Tarpon Fitness, LLC	727-937-4999	852 E. Tarpon Ave.	Tarpon Springs	FL	34689
Zamboni Enterprises, LLC	813-671-1200	11369 Big Bend Rd.	Riverview	FL	33569
Body Factory 24/7, LLC	678-610-0512	1985 McDonough Road	Hampton	GA	30228
Brown, Alan	404-736-6127	1000 Marietta Street NW Suite 240	Atlanta	GA	30318
Cosola, Donna	678-765-6301	5885 Cumming Hwy.	Sugar Hill	GA	30518
Fit for Life Ent., LLC	470-422-7735	375 Rockbridge Road	Lilburn	GA	30047
Georgia Health Club Partners, LLC	912-764-7627	609 Brannen Street	Statesboro	GA	30458
GSM Fitness Inc.	404-875-5656	1799 Briarcliff Rd.	Atlanta	GA	30306
Hazcode Inc.	678-552-2338	300 Crosstown Drive	Peachtree City	GA	30269
JRG Fitness Ellenwood, LLC	404-996-1677	115 Fairview Rd.	Ellenwood	GA	30294
Mooneyham, Greg JRG Fitness Operations, LLC	770-632-4444	2512 Redwine Road	Peachtree City	GA	30215
Mooneyham, Greg JRG Fitness Operations, LLC	404-627-8000	920 Glenwood Ave. Suite 102/103	Atlanta	GA	30316
Makela, John JRG Fitness Operations, LLC	404-584-9669 770-928-7627	245 North Highland Ave 14205 Hwy 92	Atlanta Woodstock	GA	30307 30188
Lee, Randy	706-507-7627	1290 Double Churches Rd	Columbus	GA	31904
Chapman, Michael	678-705-1439	317 West Hill Street	Decatur	GA	30030
Mooneyham, Greg JRG Fitness Operations, LLC	404-875-5656 793-7398	1799 Briarcliff Rd. 1167 La Vista Drive	Atlanta	GA	30306 30324
Carlyle, Jeff and Rose Junk Dog, Inc.	770-474-0511	1005 Brentwood Parkway	Stockbridge	GA	30281
Mooneyham, Greg	404-584-9669	245 North Highland Ave	Atlanta	GA	30307
Mullins, Kimela	770-466-8000	4743 Atlanta Hwy	Loganville	GA	30052
Barber, Fred	706-367-2220	914 Lee Street	Jefferson	GA	30549
Solomon, Davey	706-507-3488	2525 Auburn Ave	Columbus	GA	31906
Cain, Art	770-777-1227	488 North Main Street	Alpharetta	GA	30004
Brown, Alan	404-736-6127	1000 Marietta Street NW Suite 240	Atlanta	GA	30318
Chapman, M Ryan, Inc. Michael	770-693-9013	3621 Vinings Slope SE Suite 1100	Atlanta	GA	30339
Cosola, Donna	678-765-6301	5885 Cumming Hwy.	Sugar Hill	GA	30518
Carlyle, Jeff and Rose	678-610-0512	1985 McDonough Road	Hampton	GA	30228
McAdams, Steve and Charlotte	770-251-6900	3219 E. Hwy 34 Suite B	Newnan	GA	30265
RJL Fitness LLC	706-507-7627	1290 Double Churches Rd	Columbus	GA	31904
Bohlke, W. Scott and Jennifer Sumpter, Cedric	770-777-1227 912-764-7627	609 Brannen 488 North Main Street	Statesboro Alpharetta	GA	30458 30004
Mooneyham, Greg Wholesome Ventures, Inc.	678-705-1439 404-996-1677	137 South McDonough Street 115 Fairview Rd.	Decatur Ellenwood	GA	30030 30094
AT&J Enterprises, LLC	515-961-3550	710 W 2nd Avenue	Indianola	IA	50125
Bergeron Fitness Solutions, LLC	319-277-1127	401 Main Street	Cedar Falls	IA	50613
Bergeron Fitness Solutions, LLC	319-287-9000	3556 Kimball Ave.	Waterloo	IA	50702
Bergeron, Josh	319-332-1211	2002-2016 Enterprise Ct.	Independence	IA	50644
Ross, Mike Brayden James 2, LLC	319-832-1000 470-422-	375 Rockbridge 1711 Boyson Road	Lilburn Hiawatha	GA	30047 522



Franchisee Name	Phone	Address	City	State	Zip
	<del>7735</del>			<del>A</del>	<del>33</del>
Jones, Wendy	<del>515-989-2025</del>	<del>115 N 1st Street</del>	<del>Carlisle</del>	<del>GA</del>	<del>30269</del>
CC2, Fitness, LLC	<del>678-552-2338</del>	<del>300 Crosstown Drive</del>	<del>Peachtree City</del>	<del>IA</del>	<del>50047</del>
Engler, Bob	515-987-7777	2200 NW 159th St. #200	Clive	IA	50325
Central Iowa Fitness, LLC	<del>515-777-9219</del>	<del>1451 Gateway Circle</del>	<del>Grimes</del>	<del>IA</del>	<del>50111</del>
Bissmeyer, Lee	515-276-5700	5525 Merle Hay Rd. Suite 175	Johnston	IA	50131
Engler, Bob	<del>563-549-7109</del>	<del>2660 East 53rd St.</del>	<del>Davenport</del>	<del>IA</del>	<del>52807</del>
Dolan, Dan	<del>712-722-2594</del>	<del>1921 S. Main Ave.</del>	<del>Sioux Center</del>	<del>IA</del>	<del>51250</del>
Fit4Christ, LLC	<del>515-777-9219</del>	<del>1810 S.W. White Birch Circle Suite 107</del>	<del>Ankeny</del>	<del>IA</del>	<del>5223</del>
Bissmeyer, Lee	515-777-9219	3963-100th	Urbandale	IA	50322
Future Fitness, LLC	<del>256-8882</del>	<del>655 NE 56th St.</del>	<del>Pleasant Hill</del>	<del>IA</del>	<del>50327</del>
Ware, Roy	<del>651-324-5393</del>	<del>115 N. Main</del>	<del>Osceola</del>	<del>IA</del>	<del>50213</del>
Youngdale, Doug	515-832-7965	902 Seneca St.	Webster City	IA	50595
GAE, Inc.	<del>563-549-7149</del>	<del>600 East LeClaire Road</del>	<del>Eldridge</del>	<del>IA</del>	<del>52748</del>
Katrina Althaus Inc.	515-777-9219	7450 Bridgewood Boulevard Suite 205	West Des Moines	IA	50266
Maduro, Christine	<del>319-277-5000</del>	<del>1820 Main St.</del>	<del>Cedar Falls</del>	<del>IA</del>	<del>50613</del>
Bergeron, Josh	515-576-5599	2105 5th Ave. South	Fort Dodge	IA	50501
Maxxed Too, LLC	<del>563-659-1948</del>	<del>100 6th Ave</del>	<del>De Witt</del>	<del>IA</del>	<del>52742</del>
Maxxed, LLC	<del>715 254-9652</del>	<del>115 N. Main</del>	<del>Osceola</del>	<del>IA</del>	<del>50213</del>
Midwest Snap Fitness, L.C.	<del>641-774-2780</del>	<del>110 N. Grand Street</del>	<del>Chariton</del>	<del>IA</del>	<del>50049</del>
Roy Midwest Snap Fitness, L.C.	<del>563-289-2700</del>	<del>1005 Canal Shore Drive</del>	<del>Le Claire</del>	<del>IA</del>	<del>52753</del>
Miller, Kelly and Brad	<del>8882-515-451-4844</del>	<del>56th St</del>	<del>Pleasant Hill</del>	<del>IA</del>	<del>50227</del>
Barnes, Dylan	515-465-2848	1030 26th Street	Perry	IA	50220
Emily SCW Fitness, LLC	<del>515-989-2025</del>	<del>115 N 1st Street</del>	<del>Carlisle</del>	<del>IA</del>	<del>50047</del>
Askelsen, Chad & Suzanne	<del>515-777-9219</del>	<del>3963 100th St.</del>	<del>Urbandale</del>	<del>IA</del>	<del>50222</del>
Tiny Astronaut, Inc.	<del>515-777-9219</del>	<del>1451 Gateway Circle</del>	<del>Grimes</del>	<del>IA</del>	<del>50111</del>
Bergeron, Josh	<del>319-287-9000</del>	<del>3556 Kimball Ave.</del>	<del>Waterloo</del>	<del>IA</del>	<del>50702</del>
Tiny Astronauts, Inc.	<del>515-777-9219</del>	<del>1810 S.W. White Birch Circle Suite 107</del>	<del>Ankeny</del>	<del>IA</del>	<del>50023</del>
Sauter, Kyle	<del>712-722-2594</del>	<del>1921 S. Main Ave.</del>	<del>Sioux Center</del>	<del>IA</del>	<del>51250</del>
Tiny Astronauts, Inc.	<del>319-832-1000</del>	<del>1711 Boyson Road</del>	<del>Hiawatha</del>	<del>IA</del>	<del>52233</del>
Foster, Adam	<del>515-223-1512</del>	<del>4123 University Ave.</del>	<del>West Des Moines</del>	<del>IA</del>	<del>50311</del>
Cullins, Matt and Lisa	<del>777-9219</del>	<del>7450 Bridgewood Boulevard Suite 205</del>	<del>West Des Moines</del>	<del>IA</del>	<del>50266</del>
Tiny Astronauts, Inc.	515-777-9219	3440 E 33rd St	Des Moines	IA	50317
Bissmeyer, Lee	<del>515-961-3550</del>	<del>710 W 2nd Avenue</del>	<del>Indianola</del>	<del>IA</del>	<del>50125</del>
Puk, Kevin	<del>712-338-4700</del>	<del>2207 Highway 71</del>	<del>Milford</del>	<del>IA</del>	<del>51351</del>
Sather, Ryan	<del>563-659-1948</del>	<del>100 6th Ave</del>	<del>De Witt</del>	<del>IA</del>	<del>52742</del>
Schuster, Will	<del>563-289-2700</del>	<del>1005 Canal Shore Drive</del>	<del>Le Claire</del>	<del>IA</del>	<del>52753</del>
Miller, Kelly and Brad	515-777-9219	1010 South 3rd Street, 1B	Polk City	IA	50226
Bissmeyer, Lee	<del>208-209-7089</del>	<del>231 W. Hayden Ave.</del>	<del>Hayden Lake</del>	<del>IL</del>	<del>60046</del>
Tiny Astronauts, Inc.	<del>319-327-8845</del>	<del>2002-2016 Enterprise Ct.</del>	<del>Independence</del>	<del>IL</del>	<del>60044</del>
Bergeron, Josh	208-772-4900	3270 W. Prairie Ave.	Coeur d Alene	ID	83815
JJ Fitness, LLC	208-522-3200	681 S Woodruff Ave	Idaho Falls	ID	83401
Merrill, Carrie	<del>208-209-7089</del>	<del>231 W. Hayden Ave.</del>	<del>Hayden Lake</del>	<del>ID</del>	<del>83835</del>
Spencer, Jeff	<del>217-585-2999</del>	<del>1362 Toronto Rd.</del>	<del>Springfield</del>	<del>IL</del>	<del>62791</del>
Taunton, Paul	<del>217-891-3006</del>	<del>1061 Jason Pl.</del>	<del>Chatham</del>	<del>IL</del>	<del>62629</del>
Taunton, Paul	<del>847-854-FIT1 (3481)</del>	<del>1042 E. Algonquin Rd.</del>	<del>Algonquin</del>	<del>IL</del>	<del>60102</del>
O'Brien, Rich and Kristine	815-363-1830	380 Bank Dr.	McHenry	IL	60050
B&B Fitness, Inc.	<del>847-838-1299</del>	<del>850 Tower Drive</del>	<del>Lake Villa</del>	<del>IL</del>	<del>60046</del>
Bauspies, Jeff	<del>847-546-1400</del>	<del>389 N. Wilson Rd.</del>	<del>Round Lake</del>	<del>IL</del>	<del>60073</del>
Simonsen, Todd	<del>847-358-7627</del>	<del>19 West Wilson</del>	<del>Palatine</del>	<del>IL</del>	<del>60067</del>
Yocum, David	<del>312-533-4646</del>	<del>133 Barnett Ave.</del>	<del>Chicago</del>	<del>IL</del>	<del>60605</del>
Taunton, Paul	<del>217-877-4184</del>	<del>1212 South Michigan Ave.</del>	<del>Forsyth</del>	<del>IL</del>	<del>62535</del>
Benson, Brett and Meghann	<del>815-568-6000</del>	<del>910 C Greenlee</del>	<del>Marengo</del>	<del>IL</del>	<del>60152</del>
Mahlstedt, Greg	<del>815-227-1110</del>	<del>811 S. Perryville Rd.</del>	<del>Rockford</del>	<del>IL</del>	<del>61108</del>
Patel, Raj	<del>815-444-7627</del>	<del>540 East Terra Cotta Ave. (across from Countryside Flowers)</del>	<del>Crystal Lake</del>	<del>IL</del>	<del>60012</del>
Connell, Kent					



Franchisee Name	Phone	Address	City	State	Zip
Chesta, Carolyn	847-669-0400	10743 Huntley/Dundee Rd.	Huntley	IL	60142
Dolinky, Patricia	630-980-6997	863 E. Nerge Rd.	Roselle	IL	60172
Connell, Kent	815-338-SNAP (7627)	1400 North Seminary Ave	Woodstock	IL	60098
Taunton, Paul	618-498-7330	1404 Windy Lane	Jerseyville	IL	62052
Taunton, Paul	217-324-3333	1403 West Perdon	Litchfield	IL	62056
Yocum, David	847-724-7627 (SNAP)	1527 Waukegan Road	Glenview	IL	60025
Andrade, Misti	(618) 233-3055	3030 Frank Scott Parkway West	Belleville	IL	62223
Decker, KirstenBK3J, Inc.	309-944-4335	1045 S. Oakwood Ave.	Geneseo	IL	61254
Simonsen, Todd	847-740-7627	139 W Belvidere	Round Lake	IL	60073
Harris, Tony	217-438-4348	650 E. Jackson Street	Auburn	IL	62615
Keller, Jamie and Tiffany	815-678-7627	10007 North Main Street	Richmond	IL	60071
Hayward, Ralph	847-223-5300	34491 N. Old Walnut Circle	Gurnee	IL	60031
Keller, Jamie and Tiffany	847-356-1800	435 S. Route 45	Lindenhurst	IL	60046
Hahn, Bill	815-234-2700	211 N. Walnut Street	Byron	IL	61010
Chesta, Carolyn	847-683-3300	111 West Oak Knoll Drive	Hampshire	IL	60140
Mareotte, JohnChicago Fitness, Inc.	847-669-0400217-223-3488	10743 Huntley/Dundee Rd. 6228 Broadway	HuntleyQuincy	IL	6230560142
Taunton, PaulDCY Fitness Center, Inc	847-358-7627217-235-0020	19 West Wilson140 Dettro Drive	PalatineMattoon	IL	6193860067
Keller, Jamie and TiffanyDCY Fitness Centers, Inc	847-587-SNAP (724-7627)	7223 State Park1527 Waukegan Road	GlenviewFox Lake	IL	6002560020
Dolinky, Patricia	630-980-6997	863 E. Nerge Rd.	Roselle	IL	60172
Ginster, AndrewHam Fitness, Ltd.	773-930-3424	4504 West Irving Park Road	Chicago	IL	60641
Hayward, Ralph	847-223-5300	34491 N. Old Walnut Circle	Gurnee	IL	60031
Harris, TonyK&R O'Brien, LLC	217847-854-40063481	1042 E. Algonquin Rd. 276 N. Broad St.	AlgonquinCarlinville	IL	6010262626
K&R O'Brien, LLC	630-448-0901	140 IL ROUTE 38	Elburn	IL	60119
KB Fitness CL, Inc.	815-444-7627	450 North Route 31	Crystal Lake	IL	60012
KB Fitness CL, Inc.	815-338-7627	1400 North Seminary Ave	Woodstock	IL	60098
Keller's Fitness I, LLC	847-356-1800	435 S. Route 45	Lindenhurst	IL	60046
Keller's Fitness II, LLC	847-587-7627	7223 State Park Road	Fox Lake	IL	60020
Keller, Jamie and TiffanyKeller's Fitness III, LLC	847-639-9500	944 IL-Route 22	Fox River Grove	IL	60021
Keller's Fitness IV, LLC	815-678-7627	10007 North Main Street	Richmond	IL	60071
Simonsen, ToddLake Villa Fitness Inc.	847-841-8117838-1299	1350 East 850 Tower DriveChicago	ElginLake Villa	IL	6004660120
O'Brien, Rich and KristineLake Villa Fitness, Inc.	847-740-7627630-448-0904	139 W Belvidere140 IL ROUTE 38	Round LakeElburn	IL	6007360149
Meyer, Gary	847-551-3690	4640 West Main Street	West Dundee	IL	60118
Steinmetz, WilliamModern Day Clippers, Inc.	217-223-3488847-388-0288	6228 Broadway840 N IL Rte 83	QuincyMundelein	IL	6230560060
Morning Rose Investments, Inc.	217-438-4348	650 E. Jackson Street	Auburn	IL	62615
Morning Rose Investments, Inc.	217-854-4006	276 N. Broad St.	Carlinville	IL	62626
Harris, TonyMorning Rose Investments, Inc.	217-546-3655	1929 West Iles Road.	Springfield	IL	62704
NALA Fitness of West Beleville, LLC	(618) 233-3055	3030 Frank Scott Parkway West	Belleville	IL	62223
Mueller, RandyRhino Fitness, LLC	815-570-5244	6518-6524 West Rt. 34	Plano	IL	60545
Simonsen Investments, Inc.	847-546-1400	389 N. Wilson Rd.	Round Lake	IL	60073
Simonsens New Athletic Place Elgin, LLC	847-841-8117	1350 East Chicago	Elgin	IL	60120
Snap Fitness of Marengo, Inc.	815-568-6000	910 C Greenlee	Marengo	IL	60152
Snap Fitness of McHenry, Inc.	815-363-1830	380 Bank Dr.	McHenry	IL	60050
Steinmetz, William	847-388-0288	840 N IL Rte 83	Mundelein	IL	60060
Taunton Fitness, LLC	217-585-2999	1362 Toronto Rd.	Springfield	IL	62791

Franchisee Name	Phone	Address	City	State	Zip
Taunton Fitness, LLC	217-891-3006	1061 Jason Pl.	Chatham	IL	62629
Taunton Fitness, LLC	217-877-1184	133 Barnett Ave.	Forsyth	IL	62535
Taunton Fitness, LLC	618-498-7330	1404 Windy Lane	Jerseyville	IL	62052
Taunton Fitness, LLC	217-324-3333	1403 West Ferdon	Litchfield	IL	62056
Taunton Fitness, LLC	217-235-0020	140 Dettro Drive	Mattoon	IL	61938
Taunton, Paul Fitness, LLC	217-381-4951	131 Illini Drive	Sherman	IL	62684
Ballard, Mike Tiger Eye Investments, Inc.	309-467-9500	1958 S. Main St.	Eureka	IL	61530
Body Fitness, LLC	812-680-4570	1119 W. Tipton St.	Seymour	IN	47274
Bookman Fitness, LLC	765-474-3219	2049 Veterans Memorial Pkwy.	Lafayette	IN	47909
Brookhaven Fitness, LLC	765-448-3219	3830 State Route 26 E.	Lafayette	IN	47905
Sheets, Jeff and Lisa Brookman Fitness LLC	765-463-3219 317-867-7627	2060 US 52 220 West 161st Street	Westfield West Lafayette	IN	46074 47906
Mooneyham, Greg JRG Fitness Operations, LLC	317-745-5330	779 East Main Street	Danville	IN	46122
Coyle, David Michael (Mike)	812-283-7627	2760 Jefferson Center Way	Jeffersonville	IN	47130
Mooneyham, Greg JRG Fitness Operations, LLC	765-654-7627	1419 East Wabash Street	Frankfort	IN	46041
Gilgenbach, Tony	812-680-4570	1119 W. Tipton St.	Seymour	IN	47274
Mooneyham, Greg JRG Fitness Operations, LLC	765-364-9400	1883 US Highway 231 South	Crawfordsville	IN	47933
Mooneyham, Greg JRG Fitness Operations, LLC	765-653-4000	1752 Indianapolis Road	Greencastle	IN	46135
Brooks, Regina	765-463-3219	2060 US 52	West Lafayette	IN	47906
Brooks, Regina	765-448-3219	3830 State Route 26 E.	Lafayette	IN	47905
Rhodes, Matt MLG Group, LLC	812-283-7627 913-441-9496	5437 Roberts 2903 East 10th Street	Jeffersonville Shawnee	KS	66226
Weir, Christopher	913-829-7627	14162 W. 119th St.	Olathe	KS	66062
Swanson, Tony RAD Fitness LLC	317-867-7627 913-764-0400	220 West 161st 16587 W. 151st Street	Westfield Olathe	KS	66074 66062
Parrott, Matthew	(913) 367-1511	409 Commercial Street	Atchison	KS	66002
Bennett, Paul Fitness, LLC	913-393-0029	11172 S. Lone Elm Rd.	Olathe	KS	66061
Bennett, Paul Fitness, LLC	785-842-SNAP (7627)	1800 E 23rd St. Ste. C	Lawrence	KS	66046
Gordey, Jerry	913-451-7627	11118 Antioch Rd	Overland Park	KS	66210
Bennett, Paul Fitness, LLC	913-686-2027	21231 W. 223rd. Street	Spring Hill	KS	66083
Gordey Fitness, LLC	913-451-7627	11118 Antioch Rd	Overland Park	KS	66210
HP Fitness, LLC	913-367-1511	409 Commercial Street	Atchison	KS	66002
HP Fitness, LLC	913-221-0722	8819 Metcalf Ave.	Overland Park	KS	66212
Legacy Fitness, LLC	913-441-9496	5437 Roberts Street	Shawnee	KS	66226
Rhodes, Matt Legacy Fitness, LLC	913-724-2424	15604 Pinehurst Dr.	Basehor	KS	66007
Weir, Christopher	913-829-7627	14162 W. 119th St.	Olathe	KS	66062
Ynot Snap, LLC	913-764-0400	16587 W. 151st Street	Olathe	KS	66062
24/7 Fitness, LLC	502-839-0030	1004 Bypass North	Lawrenceburg	KY	40342
BAST Inc.	502-409-6900	9815 Brownsboro Rd.	Louisville	KY	40241
Benson Health and Fitness LLC	859-271-8210	4384 Clearwater Way	Lexington	KY	40515
Blessed Enterprise, LLC	502-618-2080	7517 Outer Loop	Louisville	KY	40228
Blue Tide Enterprises, LLC	859-497-4003	660 Maysville Road	Mount Sterling	KY	40353
Farr & Young Inc.	270-908-0311	2540 Lone Oak Rd.	Paducah	KY	42003
Farr and Young, Inc.	270-443-0900	3215 Irvin Cobb Dr.	Paducah	KY	42003
Flywheel, LLC	270-247-2424	1257 Paris Road	Mayfield	KY	42066
Forever Young Fitness, LLC	859-879-3575	479 Lexington Rd.	Versailles	KY	40383

Franchisee Name	Phone	Address	City	State	Zip
JNB Fitness, LLC	859-226-2935	129 Towne Center Drive	Lexington	KY	40511
Kentucky Fitness, LLC	502-228-7275	6031 Timber Ridge Dr	Prospect	KY	40059
Kingdom Investments 3, Inc.	270-422-2225	526 By Pass Rd.	Brandenburg	KY	40108
Kingdom Investments of Leitchfield Inc	270-200-1352	1907 Elizabethtown Road	Leitchfield	KY	42754
Ohler, David and Tamara Knox Fitness, LLC	270-351-1348	Just off 31W, beside BloekBuster147 E. Lincoln Trail	Radcliff	KY	40160
La Rocca & Strode Inc.	502-241-6282	6003 Pleasant Colony Ct	Crestwood	KY	40014
McCown, Austin and Kayla	270-358-5417	83 Shawnee Drive	Hodgenville	KY	42748
Power Up Fitness, LLC	859-586-6100	1990 North Bend Rd.	Hebron	KY	41048
Strode, Erin	502-222-2122	1212 Market Street	La Grange	KY	40031
VSSF Inc.	502-995-3261	10105 Dixie Highway	Louisville	KY	40272
Webb, Paul	502-426-9848	8105 LaGrange Road	Louisville	KY	40222
Benson, Jim	859-271-8210	4384 Clearwater Way	Lexington	KY	40515
Millsap, Carl	502-618-2080	7517 Outer Loop	Louisville	KY	40228
Webb, Paul	502-240-0029	3831 Ruckriegel Parkway	Louisville	KY	40299
Brewer, Larry and Cherylene	270-422-2225	526 By Pass Rd.	Brandenburg	KY	40108
Pichea, Mark	502-228-7275	6031 Timber Ridge Dr	Prospect	KY	40059
Brannock, Steve & Amy	859-497-4003	660 Maysville Road	Mount Sterling	KY	40353
Strode, Erin	502-222-2122	1212 Market Street	La Grange	KY	40031
Cowan, Ben	859-226-2935	129 Towne Center Drive	Lexington	KY	40511
Floyd, David	502-839-0030	1004 Bypass North	Lawrenceburg	KY	40342
Floyd, David	859-879-3575	479 Lexington Rd.	Versailles	KY	40383
Strode, Erin	502-241-6282	6003 Pleasant Colony Ct	Crestwood	KY	40014
Young, Chad	270-443-0900	3215 Irvin Cobb Dr.	Paducah	KY	42003
Holmgren-Smith, April	502-995-3261	10105 Dixie Highway	Louisville	KY	40272
Shankle, Chad	270-247-2424	1257 Paris Road	Mayfield	KY	42066
Hardesty, Jerry	270-358-5417	83 Shawnee Drive	Hodgenville	KY	42748
Walsh, Terry	502-409-6900	9815 Brownsboro Rd.	Louisville	KY	40241
Hardesty, Jerry	270-200-1352	1907 Elizabethtown Road	Leitchfield	KY	42754
Roszkowski, Dan and Chanin	859-586-6100	1990 North Bend Rd.	Hebron	KY	41048
Farr, Daniel	270-908-0311	2540 Lone Oak Rd.	Paducah	KY	42003
Sarpy, Elliot	504-305-6220	910 W. Esplanade Ave.	Kenner	LA	70065
Lockwood, Victor Rodney and Candice Tish	985-785-1718	12807 Hwy. 90	Luling	LA	70070
Mooneyham, Greg	225-791-0100	34130 N LA Highway 16	Denham Springs	LA	70706
Zimmerman, Joe	985-674-7627	3441 East Causeway Approach	Mandeville	LA	70448
Mooneyham, Greg	225-751-0121	14241 Coursey Blvd.	Baton Rouge	LA	70809
Brown, Mike Brownco, LLC	225-261-5008	14395 Greenwell Springs Road	Greenwell Springs	LA	70739
Anderson, Ben Brownco, LLC	225-615-7936	257 Lee Drive	Baton Rouge	LA	70808
Correll, Adam Brownco, LLC	225-654-5528	205027 Old Scenic Highway	Zachary	LA	70092
C. Decker, Chuck and Cathy Fitness, LLC	225-751-1881	17002 Jefferson Hwy	Baton Rouge	LA	70817
Brown, Mike	225-615-7936	257 Lee Drive	Baton Rouge	LA	70808
Correll, Adam Col Cor Investments LLC	504-883-0309	4540 West Napoleon Ave.	Metairie	LA	70001
Decker, Chuck and Cathy Concept Properties, LLC	337-365-1116	722 E. Admiral Doyle Dr	New Iberia	LA	70433
Vasquez, Michelle Elite Performance, LLC	504-392-9828	787 Sterlington Hwy.	Farmerville	LA	71241
Boudreaux, Rodney Foret, John Jr. and Lisa	337-478-4525	2724 Country Club Rd.	Lake Charles	LA	70707
Lockwood, Victor and Candice Jake Fitness, LLC	225-687-6271	58630 Bellview Bridge Road	Central	LA	70764
Rodriguez, Kimberly Jake Fitness, LLC	225-372-2003	151 Almedia Rd.	Walker	LA	70087
JJJ Fit, LLC Bergeron, Louis "Chad"	985-674-7627	3441 East Causeway Approach	Mandeville	LA	70508

Franchisee Name	Phone	Address	City	State	Zip
	4955	W. Pinhook 70508			48
Lambert, Brad	337-856-6564	803 St. Blaise Lane	Youngsville	LA	70592
Brown, Mike	225-654-5528	205027 Old Scenic Highway	Zachary	LA	70794
Lejeune Jr., John J. Fitness, LLC	985-732-1774	401 Austin Street	Bogalusa	LA	70427
Boullion, Matt JRG Fitness Operations, LLC	225-791-0100 337-528-6933	34130 N LA Highway 164003 South Beglis Pkwy	Denham Springs	LA	70663 70706
JRG Fitness Operations, LLC	225-751-0121	14241 Coursey Blvd.	Baton Rouge	LA	70809
Mooneyham, Greg JRG Fitness Operations, LLC	504-301-1289	3700 Lapalco Blvd.	Harvey	LA	70058
Borges, Joshua	504-392-9828	102 Woodland Hwy.	Belle Chasse	LA	70037
Babin, Lucas	225-638-7627	1320 Hospital Road Ste 200	New Roads	LA	70760
Leaphart, Jason	225-261-6119	18513 Magnolia Bridge Road	Central	LA	70739
Boullion, Matt	337-478-4525	2724 Country Club Rd.	Lake Charles	LA	70605
Kerrigan, Tim	318-448-5399	3601 Jackson St ext	Alexandria	LA	71303
Watson, Craig	318-336-5474	1909 Carter St.	Vidalia	LA	71373
Lejeune Jr., John	985-882-4344	27397 Highway 190	Lacombe	LA	70445
Mooneyham, Greg JRG Fitness Operations, LLC	504-575-3000	1640 Hickory Ave.	Harahan	LA	70123
Watts, Sam and Laura	337-365-1116	722 E Admiral Doyle Dr	New Iberia	LA	70560
Roberts, Jason	225-622-9999	14505 Hwy. 44	Gonzales	LA	70737
Lockwood, Victor and Candice L&T Fitness, Inc.	985-882-4344 225-622-SNAP (7627)	4030627397 Highway 42190	Galvez Lacombe	LA	70769 70445
Leaphart, Jason	225-372-2003	28977 Walker South Rd.	Walker	LA	70785
LeBlanc, Jill A. Fitness, LLC	504-348-4242 337-893-0009	1401 Westbank Exp. Blvd. 109 Rue Centre Suite 3105	Abbeville Westwego	LA	70519 70094
LeBoeuf, Paul	985-532-2204	4840 Hwy 1	Raceland	LA	70394
Robicheaux, Erie	337-839-8277	219 St. Nazaire Rd.	Broussard	LA	70518
Robicheaux, Erie	337-456-7983	2425 W. Congress St.	Lafayette	LA	70506
Mallett, Joseph	225-665-0272	1217 N. Range Ave.	Denham Springs	LA	70726
Mystery Enterprises, LLC	504-305-6220	910 W. Esplanade Ave.	Kenner	LA	70065
Schnauder, Matt NOLA Fitness Inc.	(504) 304-3638	785 Harrison Ave.	New Orleans	LA	70124
P&B Fitness, LLC	985-532-2204	4840 Hwy 1	Raceland	LA	70394
Rodriguez, Kimberly	504.305.4668	151 Almedia Rd.	St. Rose	LA	70087
Snap Enterprises, LLC	504-304-7321	3501 Severn Ave.	Metairie	LA	70002
Snap Fitness of Lake Charles, LLC	337-528-6933	1003 South Beglis Pkwy	Sulphur	LA	70663
Snap Fitness of New Roads, LLC	225-638-7627	1320 Hospital Road Ste 200	New Roads	LA	70760
Snap Fitness of Vidalia, LLC	318-336-5474	1909 Carter St.	Vidalia	LA	71373
So Fit - Youngsville, LLC	337-856-6564	803 St. Blaise Lane	Youngsville	LA	70592
So Fit Lafayette, LLC	337-232-1955	2800 W. Pinhook	Lafayette	LA	70508
Superior Fitness, LLC	225-622-9999	14505 Hwy. 44	Gonzales	LA	70737
Neuville, Terry and Terri TNT Fitness, LLC	225-308-2018	7731 Perkins Rd.	Baton Rouge	LA	70810
Vasquez, Michelle and Jose	318-368-4878	787 Sterlington Hwy	Farmerville	LA	71241
VICA Fitness of Burnside, LLC	225-474-8208	6473 Hwy. 44	Gonzales	LA	70737
VICA Fitness of Gonzales, LLC	225-644-1297	625 South Burnside Ave.	Gonzales	LA	70737
VICA Fitness of Prairieville, LLC	225-622-7627	40306 Highway 42	Galvez	LA	70769
Wellness One LLC	337-456-7983	2425 W. Congress St.	Lafayette	LA	70506
Wellness One, LLC	337-839-8277	219 St. Nazaire Rd.	Broussard	LA	70518
Wellness Partners, LLC	337-893-0009	109 Rue Centre Suite 3	Abbeville	LA	70510
Robicheaux, Erie Wellness Plus LLC	225-767-6271	9828 Bluebonnet Blvd. Suite G	Baton Rouge	LA	70810
Garvey, David DJG Enterprises, LLC	413-532-7627 (SNAP)	506 Westfield Road	Holyoke	MA	1040
Vakalopoulos, Elaine Fitness Enterprises, LLC	508-833-7627 802-4418	331 Cotuit Road 855 Broadway Rt. 138	Sandwich Raynham	MA	25632 767

Franchisee Name	Phone	Address	City	State	Zip
Fadden, Dan Lakeview Management Inc.	508-791-7627	1000 Grafton St.	Worcester	MA	1604
Sandpiper Fitness, Inc.	508-833-7627	331 Cotuit Road	Sandwich	MA	2563
Tonelli, Alex	413-529-2200	39 Union Street	Easthampton	MA	1027
Mooneyham, Greg FD Investors, LLC	410-939-9595/679-1064	2015 E413 Pulaski Highway Hwy.	Havre de Grace Joppa	MD	21078/21085
Greathouse, Steve	(410)-850-SNAP (7627)	529 S. Camp Meade Rd.	Linthicum Heights	MD	21090
Gempp, Bill & Karen JRG Fitness Operations, LLC	410-374-6155/939-9595	2315 Hanover Pike 2015-E Pulaski Highway	Hampstead Havre de Grace	MD	21074/21078
Mooneyham, Greg JRG Fitness Operations, LLC	410-638-0456	1517-B Rock Spring Road	Forest Hill	MD	21050
Stone, Ron Monkton Entrepreneurial Group, LLC	410-480-2882/374-6155	10795-2315 Hanover Pike Birmingham Way	Woodstock Hampstead	MD	21163/21074
Jundt Family Fitness, LLC Collins, Sam & Doris	207-989-7070/301-705-7555	242 State St. 173 St. Patrick's Drive Unit 104	Brewer Waldorf	ME	20603/2141
Hiano, Frank	301-829-0680	1311 S. Main Street	Mt. Airy	MD	21771
Tonelli, Alex	(Club) 410-671-4008 or (Cell) 443-617-7520	413 Pulaski Hwy.	Joppa	MD	21085
Jellison, Mark Snap Fitness	207-799-0864	747 Broadway	South Portland	ME	4106
Jundt, Tim and Carla	207-989-7070	242 State St.	Brewer	ME	4412
Umel, Julie and Seth Fitness, LLC	207-934-6136	2 Cascade Rd.	Old Orchard Beach	ME	4064
Greenblatt, Bob	207-899-4473	65 Gray Rd.	Falmouth	ME	4105
Westra, Cynthia	616-846-7627	414 W. Savidge Street	Spring Lake	MI	49456
Cook, Ryan Alpine Fitness LLC	616-949-2000/635-2363	5500 Cascade Rd 4 Mile Road North West	Comstock Park Grand Rapids	MI	49546/49321
Westra, Cynthia	231-733-0429	950 W. Norton Ave	Norton Shores	MI	49441
Pasma, Mark Aspiring Enterprises, Inc.	616-534-989-835-7627	1625 E. Wheeler St. 4830 Wilson Ave. Suite 610	Midland Grandville	MI	48642/49418
McFarland, Tim	517-347-4147	3552 Meridian Crossing Dr.	Okemos	MI	48864
Blakeslee, John BJF Fitness II, LLC	810-694-4000/735-3375	4501 East Hill Road 614 W Broad St.	Grand Blanc Linden	MI	48439/48451
Kulenkamp, Ron BJF Fitness, LLC	248-625-2100/634-2000	5900 Sashabaw 15213 N. Holly Rd.	Clarkston Holly	MI	48346/48442
Mulder, Brian BLST, LLC	616-453-6666	2056 Lake Michigan Dr. NW	Grand Rapids	MI	49504
Szabunia, Ed BLST, LLC	269-792-0000/586-532-7800	150 Pine Street 42918 Schoenherr Rd	Wayland Sterling Heights	MI	48313/49348
Lothian, Ryan BLST, LLC	616-719-4577/878-1111	2355 Belmont Center Drive 2492 84th Street SW	Belmont Byron Center	MI	49306/49315
Brennan, Maris & R.J. BLST, LLC	616-205-5700/517-627-3481	630 S State St. 607 E Saginaw Hwy	Sparta Grand Ledge	MI	48837/49345
Bondarenko, Paul	989-348-3900	8307 West M72	Grayling	MI	49738
Pringle, Robert BTE Fitness, LLC	517-782-1001/546-1200	1527 Horton Road 1455 N. Michigan Av.	Jackson Howell	MI	49203/48843
Pasma, Mark Buzenberg Enterprises, Inc.	734-325-1707/269-327-SNAP (7627)	641 Romence 9612 Belleville Rd.	Portage Belleville	MI	49024/48111
Vaillancourt, Dave Cavalli Fitness, LLC	517-347-4147/734-429-4567	3552 Meridian Crossing Dr. 1359 East Michigan Ave.	Okemos Saline	MI	48176/48864
Cavalli Fitness, LLC	616-522-3500	3192 Commerce Lane	Ionia	MI	48846
CJ Partners LLC	517-889-5000	2040 North Aurelius Road	Holt	MI	48842
Kwapisz, Steven Coco Fitness Inc.	248-714-9686	2825 East Highland Rd.	Highland	MI	48356
CoCo Fitness, II, Inc.	586-443-4437	26700 Gratiot Ave	Roseville	MI	48066
Cook, Ryan	616-949-2000	5500 Cascade Road	Grand Rapids	MI	49546
Cook, Ryan	616-536-2662	9321 Cherry Valley Ave.	Caledonia	MI	49316
Cook, Ryan	616-997-7627	1136 West Randall Road	Coopersville	MI	49404
Watson, Chuck CVZ Investments LLC	616-607-8196	13040 US 31	Grand Haven	MI	49417
DSV Fitness, LLC	734-429-4567	1359 East Michigan Ave.	Saline	MI	48176
EAS Ventures, Inc.	586-532-7800	42918 Schoenherr Rd	Sterling Heights	MI	48313



Franchisee Name	Phone	Address	City	State	Zip
Sadek, ChrisFit Bear, LLC	734-207-2000	521 Ann Arbor Rd.	Plymouth	MI	48170
Ebersole, BradFIT ST, LLC	<del>616-741-9380</del> 517-546-4200	<del>12059 Felch St.</del> 1455 N. Michigan Av.	<del>Holland</del> Howell	MI	<del>48843</del> 49424
Cook, RyanFIT ST, LLC	616-942-5600355-1070	2650 E. Beltline1153 Washington Ave. SE.	<del>Holland</del> Grand Rapids	MI	<del>49546</del> 49423
Milam, Doug	<del>616-895-2176</del>	<del>6101 Lake Michigan Dr.</del>	<del>Allendale</del>	MI	<del>49401</del>
Carter, Ryan	517-244-0300	409 North Cedar Road	Mason	MI	48854
Jones, Tony & Theresa	989-835-7627 (SNAP)	<del>1625 E. Wheeler St.</del>	<del>Midland</del>	MI	<del>48642</del>
Kloss, DennisFitness Professionals Inc.	<del>810.213.6724</del> 517-339-7627	<del>1630 Haslett</del> 5515 Davison Rd.	<del>Haslett</del> Burton	MI	<del>48840</del> 48509
Liekhus, CynthiaFlorigan Management Group, LLC	586-416-7627601-5335	50846 Romeo Plank Rd.26110 Crocker Blvd.	MaeombHarrison Township	MI	<del>48044</del> 48045
Collias, SteveGo Fot It, LLC	<del>248-594-4941</del> 616-719-4577	<del>108 Willis</del> 2355 Belmont Center Drive	<del>Belmont</del> Birmingham	MI	<del>48009</del> 49306
Kulenkamp, RonGreenville Fitness, LLC	<del>(616) 828-5997</del> 248-969-7627 (SNAP)	<del>701 S. Greenville West Dr.</del> 972 N. Lapeer Road	<del>Greenville</del> Oxford	MI	<del>48838</del> 48874
Lazorka, Brad	517-336-0881	115 E. Grand River	East Lansing	MI	48823
Halonon, Brad and Erin	906-483-0310	850 W. Sharon Ave	Houghton	MI	49931
Highwater Group Inc.	<del>906-228-7627</del>	<del>3226 US 41 West</del>	<del>Marquette</del>	MI	<del>49855</del>
Baskins, AlanHighwater Group Inc.	<del>810-768-2447</del> 906-226-7627	<del>2463153 W. Hill Road</del> Washington St.	<del>Flint</del> Marquette	MI	<del>48507</del> 49855
Espinosa, MattLazorka, Brad	<del>989-303-1010</del> 810-632-5977	<del>11333 Highland</del> 2850 Cheesman Road	<del>Hartland</del> Alma	MI	<del>48353</del> 48801
Grasso, Tom and Kara	<del>810-547-1666</del>	<del>425 W. Vienna St.</del>	<del>Clio</del>	MI	<del>48420</del>
Mulder, Brian	<del>269-792-0000</del>	<del>150 Pine Street</del>	<del>Wayland</del>	MI	<del>49348</del>
Brennan, Maris & R.J.	<del>517-541-3483</del>	<del>515 Lansing Rd.</del>	<del>Charlotte</del>	MI	<del>48813</del>
Pasma, MarkLowell Fitness, LLC	616-669-9100987-4000	3715 Baldwin2173 West Main St.	HudsonvilleLowell	MI	<del>49426</del> 49331
Davies, GregMilam, Inc.	<del>616-895-2176</del> 586-601-5335	<del>6101 Lake Michigan Dr.</del> 26110 Crocker Blvd.	<del>Allendale</del> Harrison Township	MI	<del>48045</del> 49401
North Country Closeouts, Inc.	<del>906-364-7687</del>	<del>629 West Cloverland Dr.</del>	<del>Ironwood</del>	MI	<del>49938</del>
Northern Sands, LLC	<del>734-529-7627</del>	<del>107 Waterstradt Commerce Drive</del>	<del>Dundee</del>	MI	<del>48131</del>
Risk, Andrea & JamesP & R Group Inc.	<del>734-457-1799</del> 426-2655	<del>1539 Telegraph</del> 7007 Dexter-Ann Arbor Road	<del>Monroe</del> Dexter	MI	<del>48130</del> 48462
Parkview Fitness, LLC	<del>269-903-2640</del>	<del>4209 Portage Road</del>	<del>Kalamazoo</del>	MI	<del>49001</del>
Kwapisz, StevenParkview Fitness, LLC	<del>269-903-2650</del> 586-443-4437	<del>26700 Gratiot</del> 2026 Parkview Ave.	<del>Roseville</del> Kalamazoo	MI	<del>48066</del> 49008
Pasma, MarkPaz Fitness	989-227-8000	2429 Ontario Drive	St. Johns	MI	48879
Letten, MattPAZ Fitness, LLC	<del>248-634-2000</del> 616-534-7627	<del>15213 N. Holly Rd</del> 4830 Wilson Ave. Suite 610	<del>Holly</del> Grandville	MI	<del>48442</del> 49418
Eagle, Stephanie & BuddPAZ Fitness, LLC	586-949616-669-9100	52396 Gratiot Ave3715 Baldwin St.	HudsonvilleChesterfield	MI	<del>48051</del> 49426
PAZ Fitness, LLC	<del>616-931-4470</del>	<del>9479 Riley St.</del>	<del>Zeeland</del>	MI	<del>49464</del>
Poliselli, Lynne & LouPAZ Fitness, LLC	<del>734-529-SNAP</del> (7627) 616-777-1345	<del>107 Waterstradt Commerce</del> 5696 Balsam Drive	<del>Hudsonville</del> Dundee	MI	<del>48131</del> 49426
Grasso, Tom and Kara	<del>810-867-4132</del>	<del>6429 W Pierson Road</del>	<del>Flushing</del>	MI	<del>48433</del>
Thomas, RobertPortage Fitness, LLC	<del>734-398-SNAP</del> (269-327-7627)	<del>4011 S Canton Center</del> 641 Romence Rd.	<del>Canton Twp.</del> Portage	MI	<del>48188</del> 49024
R. Cook Holdings, LLC Shields, Randy	<del>734-426-2655</del> 616-942-5600	<del>3219 Broad</del> 855 Michigan Street	<del>Grand Rapids</del> Dexter	MI	<del>49503</del> 48130
R. Cook, Ryan Holdings, LLC	616-554-3200	7199 Kalamazoo Ave. SE	Caledonia	MI	49316
R. Cook Holdings, LLC	<del>616-361-1600</del>	<del>1600 E Beltline Ave. NE</del>	<del>Grand Rapids</del>	MI	<del>49525</del>
Jermov, MattRAMMS Investments LLC	<del>517-546-2500</del> 627-3481	<del>1456 Lawson Drive</del> 607 E Saginaw Hwy	<del>Howell</del> Grand Ledge	MI	<del>48843</del> 48837
Mulder, BrianRAMMS Investments, LLC	<del>517-541-3483</del> 616-878-4444	<del>2492 84th Street SW</del> 515 Lansing Rd.	<del>Charlotte</del> Byron Center	MI	<del>48813</del> 49345
Mahaney, RobertRisk Holdings, Inc.	<del>734-457-1799</del> 906-228-7627	<del>1539 Telegraph Road</del> 3226 US 41 West	<del>Monroe</del> Marquette	MI	<del>49855</del> 48162
Lothian, Ryan	616-987-4000	2173 West Main St.	Lowell	MI	49331
Slagh, Douglas	<del>616-741-9380</del>	<del>12059 Felch St.</del>	<del>Holland</del>	MI	<del>49424</del>
Risk, Andrea & James	989-705-7627	780 Edelweiss Village	Gaylord	MI	49735

Franchisee Name	Phone	Address	City	State	Zip
Auwers, Roger RMT Snap Fitness LLC	313-274-5500/313-398-7627	136 North Telegraph Road 4011 S Canton Center Rd	Canton Twp. Dearborn	MI	48128-1618/48188
Cook, Ryan SF-Grand Blanc, LLC	810-694-4000/616-361-4600	4501 East Hill Road 1600 E Beltline Ave. NE	Grand Rapids Blanc	MI	48439/49525
SF-Swartz Creek, LLC	810-213-4633	9136 Miller Rd.	Swartz Creek	MI	48473
ShieldsSheilds, Randy	734-648-0424	1337 E. M-36	Pinckney	MI	48169
Bondarenko, Paula	989-348-3900	8307 West M72	Grayling	MI	49738
Hewitt, Sue SLH Enterprise, Inc.	248-377-2294	4918 North Adams Rd.	Oakland Township	MI	48306
Blakeslee, John Snap 01, LLC	248-625-2100/810-213-4633	9136 Miller 5900 Sashabaw Rd.	Swartz Creek Clarkston	MI	48473/48346
Snap 02, LLC	248-969-7627	972 N. Lapeer Road	Oxford	MI	48371
Snap Fitness of MI Inc.	231-733-0429	950 W. Norton Ave	Norton Shores	MI	49441
Mahaney, Robert Snap Fitness of MI, Inc.	906-226-616-846-7627	153414 W. Washington St. Savidge Street	Marquette Spring Lake	MI	49855/49456
Buzenberg, Martin Snap To It, Inc.	517-782-1001/734-325-4707	9612 Belleville Rd. 1527 Horton Road	Jackson Belleville	MI	48114/49203
SPIN Productions, Inc.	810-632-5977	11333 Highland Road	Hartland	MI	48353
T&K Snap Inc.	810-547-1666	425 W. Vienna St	Clio	MI	48420
T&K Snap Inc.	810-867-4132	6429 W Pierson Road	Flushing	MI	48433
Grasso, Tom and Kara T&K Snap, Inc.	989-845-1500	901 West Broad Street	Chesaning	MI	48616
Espinosa, Matt	810-213-6724	5515 Davison Rd.	Burton	MI	48509
Garcia, Joe Whispering Willows, LLC	517-889-5000/244-0300	2040409 North Aurelius Cedar Road	Holt Mason	MI	48842/48854
Pasma, Mark	616-931-4470	9479 Riley St.	Zeeland	MI	49464
Letten, Matt	810-735-3375	614 W Broad St.	Linden	MI	48451
Baldwin, Jim	616-522-3500	3192 Commerce Lane	Ionia	MI	48846
Mulder, Brian	616-205-5700	630 S State St.	Sparta	MI	49345
Slagh, Douglas	616-355-1070	1153 Washington Ave.	Holland	MI	49423
Garcia, Joe	269-903-2640	4209 Portage Road	Kalamazoo	MI	49001
Garcia, Joe	269-903-2650	2026 Parkview Ave.	Kalamazoo	MI	49008
Lothian, Ryan	(616) 828-5997	701 S. Greenville West Dr.	Greenville	MI	48838
Cook, Ryan	616-635-2363	746 4 Mile Road North West	Comstock Park	MI	49321
Cook, Ryan	616-536-2662	9321 Cherry Valley Ave.	Caledonia	MI	49316
Cook, Ryan Whispering Willows, LLC	616-997-SNAP (517-339-7627)	1630 Haslett Rd 1136 West Randall Road	Haslett Coopersville	MI	48840/49404
Your Wellness Holdings, LLC	989-494-4299	2500 East M-21	Corunna	MI	48817
Zerka, George	810-275-1250	G-1381 W. Bristol Road	Flint	MI	48507
Erb, Steve and Holly	989-494-4299	2500 East M-21	Corunna	MI	48817
Metcalf, Allen	906-364-7687	629 West Cloverland Dr.	Ironwood	MI	49938
Haskins, Logan	952-442-3815	120 Vine St. S.	Waconia	MN	55387
Clark, Christina	320-864-5565	623 12th Street East Suite 4	Glencoe	MN	55336
Winey, Faamati	651-415-9628	6511 Ware Rd. #180	Lino Lakes	MN	55014
Martinez, Amy	507-455-3500	1824 Cedar Ave. South	Owatonna	MN	55060
Cowan, Ben M.	651-769-2944	8700 E. Point Douglas Rd S.	Cottage Grove	MN	55016
Norton, Terry	952-471-1114	4671 Shoreline Drive	Spring Park	MN	55384
Hasti, Heather	320-274-7627	990 Elm St. Suite 300	Annandale	MN	55302
Norton, Terry	651-438-9309	275 33rd West St. Suite B	Hastings	MN	55033
Hasti, Heather	320-286-0030	500 West Cokato St.	Cokato	MN	55321
Manderscheid, Rod	320-593-1429	27 East Depot St.	Litchfield	MN	55355
Jones, Rick 5th Ave Fitness, LLC	320-762-8879/227-8047	1804305 5th Avenue South Broadway St.	St. Cloud Alexandria	MN	56301/56308
Berg, Douglas	952-873-6663	320 Laredo St. Unit 1	Belle Plaine	MN	56011
Almaer, Stewart	651-739-9766	1807 Geneva Ave. N	Oakdale	MN	55128
Starr, Matt	952-322-4560	14050 Pilot Knob Rd. Unit 106	Apple Valley	MN	55124
Kiffmeyer, Patrick	651-674-4153	6118 Main Street	North Branch	MN	55056
Starr, Matt	763-231-0125	1400 County Road 101 N	Plymouth	MN	55447
Clark, Christina	763-972-9000	327 13th Street South	Delano	MN	55328
Norton, Terry	763-433-9083	3841 St. Francis Blvd.	Anoka	MN	55303
Winey, Faamati	763-862-3324	10950 Club West Parkway	Blaine	MN	55449
Needham, Scott	952-440-1660	16731 Hwy 13 South	Prior Lake	MN	55372

Franchisee Name	Phone	Address	City	State	Zip
Waalén, Melissa	320-685-8836	20 Red River Ave. South	Cold Spring	MN	56320
Marasco, Barrie and Donal	651-460-2220	18450 Pilot Knob Road	Farmington	MN	55024
Kleinfehn, Dave	952-884-5166	10800 Nesbitt Ave. S	Bloomington	MN	55437
Hookom, Derek	763-267-7595	8022 Highway 55	Rockford	MN	55373
Jass, Herman	952-944-7627	8767 Columbine Rd.	Eden Prairie	MN	55344
Kiffmeyer, Patrick	651-462-9073	5377 266th St.	Wyoming	MN	55092
L'Allier, Jennifer	952-938-3456	15 8th Ave	Chaska	MN	55318
Jass, Herman	952-935-7627	5757 Sanibel Drive	Minnetonka	MN	55343
Van Hoomissen, Matthew	952-758-9250	1304 195 Main Street West	New Prague	MN	56071
Needham, Scott	651-455-5113	3056 East 65th St.	Inver Grove Heights	MN	55076
Stueven, Gene	763-391-7627	5262 Kyler Ave. NE	Albertville	MN	55301
Manderscheid, Rod	320-523-1700	106 N 9th St.	Olivia	MN	56277
Herdegen, Jason	763-493-3488	9475 Garland Lane N.	Maple Grove	MN	55311
Hartung, Don and Nathan	507-289-2124	2477 Clare Ln NE	Rochester	MN	55906
Fox, Robin	952-736-1348	1024 County Road 42 East	Burnsville	MN	55337
Callister, Aaron	507-775-7627	1067 4th St. NE Suite 100	Byron	MN	55920
Seifert, Deb	507-263-8326	31265 County 24 Blvd.	Cannon Falls	MN	55609
AC Fitness, LLC	507-732-7047	92 West 5th Street	Zumbrota	MN	55992
Huna, Todd	507-455-3500	455 — 99th 1824 Cedar Ave. NW	Owatonna	MN	55433
Winey, Faamati	507-357-2242	100 E. Minnesota St.	Le Center	MN	55822
Arntson Enterprises Inc.	218-281-7627	404 North Broadway	Crookston	MN	55716
Nadeau, Larry	218-283-0020	10 2nd 615 3rd Ave. W.	Foley	MN	56329
Clark, Christina	763-675-6750	125 Nelson Blvd.	Montrose	MN	55363
Beaupre, Kari	651-436-5481	356 S. St. Croix Trail	Lakeland	MN	55043
Lietha, Craig	320-558-6088	800 Nelson Drive	Clearwater	MN	55320
Bruneau, Joseph and Deanna	651-501-7672	1750 Weir Drive	Woodbury	MN	55125
B&N Bradford, LLC	320-282-2190	600 B State 300 S. Hwy 23	Milaca	MN	56353
Hanson, Tim	612-388-2762	6528 University Ave NE 4313 S. 6th St.	Fridley	MN	55431
Abrahamson, Mike	218-233-7627	814 30th Avenue	Moorhead	MN	56560
Cherney, Steven and Joy	952-926-3040	5107 Minnetonka Blvd.	St. Louis Park	MN	55416
Barthel, Brian	612-729-9562	3810 East 46th St.	Minneapolis	MN	55406
Oliver, Kevin	507-665-4100	202 A Valleygreen Square	Le Sueur	MN	56058
Jerde, Jamie	507-663-1777	1500 Clinton Lane	Northfield	MN	55057
Clark, Christina	320-543-3450	613 8th Ave.	Howard Lake	MN	55349
Cook, Kevin and Traci	507-377-1290	1641 Blake Ave.	Albert Lea	MN	56007
Patel, Amrith	612-388-2762	6528 University Ave NE	Fridley	MN	55432
Needham, Scott	651-686-4991	1340 Duckwood Drive	Eagan	MN	55123
Van Dyck, John and Suzanne	612-338-3999	250 2nd Ave So	Minneapolis	MN	55401
Hulley, Glen and Tracy	612-221-2787	605 Lewis Ave. N	Watertown	MN	55388
Domine, Diane and Troy	507-364-8050	300 1st St. North	Montgomery	MN	56069
McElroy, Michael	763-262-5995	14275 Bank St.	Becker	MN	55308
Needham, Scott	651-289-3070	1960 Cliff Lake Rd. Suite 115	Eagan	MN	55122
Ghere, Robbin	(651) 204-0943	525 Diffley Rd.	Eagan	MN	55123
Seifert, Deb	320-252-7627	809 10th Ave. N.	Sartell	MN	56377
Winey, Faamati	651-464-4833	14755 Victor Hugo Blvd.	Hugo	MN	55038
Clark, Christina	320-234-SNAP (7627)	114 Main Street North	Hutchinson	MN	55350
Veenis, Kyle	651-653-7627	4713 Hwy 61	White Bear Lake	MN	55110
DEGROSS, RALPH	612-920-3385	4507 France Ave. South	Minneapolis	MN	55410
Shackleton, Mark & Tari	952-926-3040	2800 Rice St. 5107 Minnetonka Blvd.	St. Paul	MN	55116
Schultz, Steve	218-744-1000	324 Grant Ave.	Eveleth	MN	55734
Miller, Brad	320-243-2100	970 Hwy 23	Paynesville	MN	56362
Letwica, Michelle	320-585-6200	719 Atlantic Ave.	Morris	MN	56267
Huna, Todd	218-525-8363	4425 E. Superior St.	Duluth	MN	55804
Nadeau, Jill	763-315-4689	8507 Jefferson Lane North	Brooklyn Park	MN	55445



Franchisee Name	Phone	Address	City	State	Zip
Hancock, JayBlue Chair Holdings, Inc.	651-636-0405	2216 County Rd. D West	Roseville	MN	55386
BM Fitness, LLC	651-769-2944	8700 E. Point Douglas Rd S.	Cottage Grove	MN	55016
Sehuster, KaraBM2 Fitness, LLC	507-474-5289	1213 Gilmore	Winona	MN	55987
BM2 Fitness, LLC	651-772-3118	1320 Maryland Avenue East	St. Paul	MN	55106
Pioske, LauraBM2 Fitness, LLC	651-649-0000	4282650 University Avenue West	St. Paul	MN	55307
Oliver, Kevin	612-869-0085	5409 Penn Ave.	Minneapolis	MN	55419
Van Dyck, John and SuzanneBM4 Fitness, Inc.	952-746651-646-7627	1557 West	St. Paul	MN	55113
Gallo, Michael	952-698-SNAP (7627)	14419 Excelsior Blvd.	Minnetonka	MN	55345
Clark, ChristinaBramel Company LLC	507-359-8888	1704 Westridge Road	New Ulm	MN	56073
Brecher, Scott & Laurel	651-770-3777	2676 County Road E	White Bear Lake	MN	55110
Charles, VinceMeElroy, Michael	320-252-2975	12715 Lake Blvd.	Lindstrom	MN	55045
Hookom, DerekClear Lake Fitness II, LLC	763-479-4449	404 Whiskey Road	Isanti	MN	55040
Lelwica, MichelleClear Lake Fitness, LLC	320-558-6088	31108 Government Drive	Pequot Lakes	MN	56472
Del Pino, Jake	651-388-7774	3257 South Service Drive	Red Wing	MN	55066
Holm, Jim	651-636-0405	2216 County Rd. D West	Roseville	MN	55112
Krueger, Jeff and Shelly	651-238-8853	1016 Smith Avenue South	West St. Paul	MN	55118
Hancock, Jay	952-448-6500	700 North Chestnut St.	Chaska	MN	55318
Lietha, CraigClear Lake Fitness, LLC	763-552-SNAP	1820 Second Avenue	Cambridge	MN	55008
Lindahl, JimCold Spring Fitness Center, Inc.	320-843-2127	110 14th Street South	Benson	MN	56215
Huna, Todd	320-351-7627	1190 Main Street South	Sauk Centre	MN	56378
Kleinfehn, Dave	952-681-7296	8009 34th Ave South	Bloomington	MN	55425
Angell, Craig	507-357-2242	100 E. Minnesota St.	Le Center	MN	56057
Hokenson, Keith	612-746-4002	105 Broadway Street NE	Minneapolis	MN	55413
Starr, Matt	952-997-9753	7409 179th Street	Lakeville	MN	55044
Cowan, Ben M.	763-544-0055	687 Winnetka Ave N	Golden Valley	MN	55427
Manderscheid, Rod	763-428-2208	13635 Northdale Blvd.	Rogers	MN	55374
Seherping, CindyCY Fitness Inc.	218-895-320-234-7627	106 NE 4th 114 Main Street North	Staples	MN	56479
MeElroy, MichaelCY Fitness, Inc.	320-217-5858	1405 Division 623 12th Street East Suite 1	Waite Park	MN	56387
Dolphin, Inc.	651-460-2220	18450 Pilot Knob Road	Farmington	MN	55024
Goettsch, BradDougherty Enterprises, LLC	507-744-3700	300 1st St. North	Lonsdale	MN	55046
Van Dyck, John and SuzanneDR Fit, LLC	507-895-6700	136 S. Walnut St.	La Crescent	MN	55415
Dunder, LLC	218-727-2544	102 East Central Entrance	Duluth	MN	55811
Epiphany Enterprises, LLC	651-204-0943	525 Diffley Rd.	Eagan	MN	55123
F&M Enterprises Inc.	320-282-2190	600 B State Hwy 23	Milaca	MN	56353
F&M Enterprises Inc.	320-243-2100	970 Hwy 23	Paynesville	MN	56362
Miller, BradF&M Enterprises Inc.	320-963-7627	220 State Highway 55	Maple Lake	MN	55358
Van Dyck, John and SuzanneFason Holdings Inc.	763-241-8387	19022 Freeport 455 99th Ave. NW	Elk River	MN	55330
Fason Holdings, Inc.	218-525-8363	4425 E. Superior St.	Duluth	MN	55804
Fason Holdings, Inc.	320-351-7627	1190 Main Street South	Sauk Centre	MN	56378
Stueven, GeneFish LLC	507-964-5664	1 Central Avenue	St. Michael	MN	55307
Van Dyck, John and Suzanne	763-421-4463	12460 Champlin Drive	Champlin	MN	55316
Meehan, Greg & AnneFit7, LLC	651-452-8111	991 Sibley Memorial Highway 7	Minnetonka	MN	55345
FMF Marketing LTD	612-920-3385	4507 France Ave. South	Minneapolis	MN	55410

Franchisee Name	Phone	Address	City	State	Zip
Foley Fitness, LLC	320-968-4900	10 2nd Ave. W.	Foley	MN	56329
Folz Fitness, LLC	507-627-7627	621 East Bridge St.	Redwood Falls	MN	56283
Fox, Robin Fintess, LLC	763-390-1313	4070 Lakeland Ave. N.	Robbinsdale	MN	55422
Fox Fitness, LLC	952-736-1348	1024 County Road 42 East	Burnsville	MN	55337
Gene and Betty's, LLC	763-391-7627	5262 Kyler Ave. NE	Albertville	MN	55301
Gene and Betty's, LLC	763-497-7627	1 Central Avenue West	St. Michael	MN	55376
Healthpoint LLC	507-663-1777	1500 Clinton Lane	Northfield	MN	55057
Herdegen Fitness LLC	763-493-3488	9475 Garland Lane N.	Maple Grove	MN	55311
Hokenson, Jered	952-373-4084	255 Ash Ave. N	Mayer	MN	55360
Hokenson, Keith McKeever, Ryan	612-823-1333746-4002	105 Broadway Street NE 4207 Lagoon Ave	Minneapolis	MN	5541355408
Invinceable 1, Inc.	763-434-5858	18447 Highway 65 NE	East Bethel	MN	55011
Invinceable1 Inc.	763-785-2348	8097 Highway 65 NE	Spring Lake Park	MN	55432
J&H Investments, LLC	952-944-7627	8767 Columbine Rd.	Eden Prairie	MN	55344
J&H Investments, LLC	952-935-7627	5757 Sanibel Drive	Minnetonka	MN	55343
Jackson Fitness, LLC	320-321-1348	1111 Black Oak Ave.	Montevideo	MN	56265
JC Fitness Inc.	763-675-6750	125 Nelson Blvd.	Montrose	MN	55363
JC Fitness, Inc.	763-972-9000	327 13th Street South	Delano	MN	55328
JC Fitness, Inc.	320-543-3450	613 8th Ave.	Howard Lake	MN	55349
JC Fitness, Inc.	320-275-2711	641 Parker Ave W	Dassel	MN	55325
JC Fitness, Inc.	320-259-0991	24086 State Highway 15	St. Augusta	MN	56301
JML Group Inc.	320-843-2127	110 14th Street South	Benson	MN	56215
Jones and Martin Inc.	320-762-8879	410 30th Ave. East	Alexandria	MN	56308
JSH Fitness, LLC	952-368-3004	1772 Steiger Lake Ln	Victoria	MN	55386
Hancock, Jay JSH Fitness, LLC	952-467-2680	308 Highway 212 West	Norwood Young America	MN	55368
K&T Fitness, LLC	507-377-1290	1641 Blake Ave.	Albert Lea	MN	56007
K.J.J.B. LLC	651-653-7627	4713 Hwy 61	White Bear Lake	MN	55110
Scherping, Cindy Kiffmeyer Companies, LLC	320-732-2296358-0091	220 Lake 1170 West 4th Street S	Long Prairie Rush City	MN	5634755069
Arntson, Barbara/Gabe Kiffmeyer Companies, LLC	651-674-4153248-281-7627	6118 Main Street 404 North Broadway	North Branch Crookston	MN	5671655056
Kiffmeyer Companies, LLC	651-462-9073	5377 266th St.	Wyoming	MN	55092
KOLENI INC	651-415-9628	6511 Ware Rd. #180	Lino Lakes	MN	55014
KOLENI INC	763-862-3324	10950 Club West Parkway	Blaine	MN	55449
KOLENI, INC	651-275-9628	1471 Stillwater Blvd.	Stillwater	MN	55082
Kohl, Daniel KOLENI, Inc.	651-464-3234248-727-2544	40256 East Broadway Central Entrance	Forest Lake Duluth	MN	5581455025
Koleni, Inc. DBA Snap Fitness Hugo	651-464-4833	14755 Victor Hugo Blvd.	Hugo	MN	55038
Jerdee, Jamie Krueger Investments LLC	651-238-8853952-226-FITI (3481)	74701016 Smith Avenue South Park Dr.	Savage West St. Paul	MN	5537855118
L'Allier, Jennifer	952-938-3456	15 8th Ave North	Hopkins	MN	55343
LC Fitness, Inc.	507-359-8888	1704 Westridge Road	New Ulm	MN	56073
Lelwica Enterprises LLC	320-585-6200	719 Atlantic Ave.	Morris	MN	56267
Lelwica Enterprises, LLC	218-568-5999	31108 Government Drive, #108	Pequot Lakes	MN	56472
Lightspeed Technologies LLC	651-739-9766	1807 Geneva Ave. N	Oakdale	MN	55128
Oliver, Kevin Live Now Inc.	612-824-4454338-3999	5409 Nicollet 250 2nd Ave. S So	Minneapolis	MN	5541955401

Franchisee Name	Phone	Address	City	State	Zip
Live Now Inc.	612-339-1991	625 4th Ave So	Minneapolis	MN	55415
Jackson, Chad & Kammie Live Now, Inc.	763-241-8387	1111 Black Oak Ave.	Montevideo	MN	56265
Shackleton, Mark & Tari Live Now, Inc.	763-421-4463	12460 Champlin Drive	Champlin	MN	55125
Wilde, Josh LMK Fitness Centers Inc	218-444-9163	3835 Supreme Ct. NW	Bemidji	MN	56601
Scherping, Cindy Longshot of Winona, LLC	507-454-7500	1550 Railroad	Albany	MN	56307
Callister, Aaron LP Fitness, LLC	952-446-8879	4195 Main	St. Bonifacius	MN	55375
Mandalay Fitness, Inc.	952-440-1660	16731 Hwy 13 South	Prior Lake	MN	55372
Mandalay Fitness, Inc. Charles, Vince	651-455-5113	3056 East 65th St.	Inver Grove Heights	MN	55014
Mandalay Fitness, Inc.	651-686-4991	1340 Duckwood Drive	Eagan	MN	55123
Manderscheid, Rod	763-428-2208	13635 Northdale Blvd.	Rogers	MN	55374
Mark Filas, Mark Inc.	218-927-1300	10 2nd Street NE	Aitkin	MN	56431
Bradford, Nikki Meadows and Fitness LLC	507-665-4100	202 A Valleygreen Square	Le Sueur	MN	56288
Clark, Christina Meadows and Fitness LLC	612-869-0085	641 Parker	Dassel	MN	55325
Folz, David	507-627-SNAP (7627)	621 East Bridge St.	Redwood Falls	MN	56283
Kleinfehn, Dave Min Rep, Inc.	952-746-4516	9505 Lyndale Ave South	Bloomington	MN	55420
Winey, Faamati	651-464-3234	56 East Broadway	Forest Lake	MN	55025
Arntson, Barbara/Gabe MinRep Inc.	952-681-7296	615 3rd	Bloomington	MN	56649
Kohls, Robin and Dan MinRep, Inc.	952-884-5166	10800 Nesbitt Ave.	Bloomington	MN	55437
Kiffmeyer, Patrick MJM Fitness, LLC	320-358-0091	1170 West	St. Cloud	MN	55069
Cowan, Ben M. MMA Fitness, LLC	651-646-2040	80 Snelling Ave	St. Paul	MN	55104
MPMBA, Inc.	952-758-9250	130 Main Street West	New Prague	MN	56071
Cowan, Ben M. Muse Fitness LLC	651-772-3118	1320 Maryland Avenue East	St. Paul	MN	55106
Needham, Scott and Melanie	651-289-3070	1960 Cliff Lake Rd. Suite 115	Eagan	MN	55122
Norton Fitness, LLC	952-471-1114	4671 Shoreline Drive	Spring Park	MN	55384
Cowan, Ben M. Norton Fitness, LLC	651-649-0000	2650 University Avenue	St. Paul	MN	55114
Norton Fitness, LLC	763-433-9083	3841 St. Francis Blvd.	Anoka	MN	55303
RC Fitness, LLC	218.895.7627	106 NE 4th Street	Staples	MN	56479
REA Centers Inc. Anderson, Renee	320-256-SNAP (7627)	321 East Main Street	Melrose	MN	56352
Lietha, Craig	763-444-3400	404 Whiskey Road	Isanti	MN	55040
Ready Snap Go, LLC Charles, Vince	651-257-BFFF (2348)	356 S. St. Croix Trail	Lakeland	MN	55043
Cowan, Ben M. Shackleton Enterprises, LLC	651-646-7627 (SNAP) 484-0428	2800 Rice St.	St. Paul	MN	55113
Callister, Aaron Shackleton Enterprises, LLC	651-739-1320	9900 Valley Creek Road	Woodbury	MN	55009
Clark, Christina	320-259-0991	24086 State Highway 15	St. Augusta	MN	56301
Hokenson, Jered	952-373-4084	255 Ash Ave. N	Mayer	MN	55360
Shaffer, Richard Shado Fitness, Inc.	218-262-1295	2518 E. Beltline	Hibbing	MN	55746
SJ & DK, LLC	320-252-7627	809 10th Ave. N.	Sartell	MN	56377
SJ&DK, LLC	320-363-7757	708 Elm St.	St. Joseph	MN	56374
Seifert, Deb SJ&DK, LLC	320-584-2020	420 Division St.	Rice	MN	56367
McElroy, Michael Snap Fitness of Redwing LLC	651-388-7774	305 5th Avenue	Red Wing	MN	56304
Snap Fitness Tangletown, LLC	612-824-4454	5409 Nicollet Ave. S	Minneapolis	MN	55419

Franchisee Name	Phone	Address	City	State	Zip
Spike Fitness, Inc.	320-274-7627	990 Elm St. Suite 300	Annandale	MN	55302
Spike Fitness, Inc.	320-286-0030	500 West Cokato St.	Cokato	MN	55321
SS Fitness Enterprises, LLC	218-744-1000	324 Grant Ave.	Eveleth	MN	55734
Suburban Fitness, LLC	952-873-6663	320 Laredo St. Unit 1	Belle Plaine	MN	56011
TAM Fitness Inc.	320-593-1429	27 East Depot St.	Litchfield	MN	55355
TAM Fitness Inc.	320-523-1700	106 N 9th St.	Olivia	MN	56277
Team Q Enterprises, LLC	763-267-7595	8022 Highway 55	Rockford	MN	55373
Team Q Enterprises, LLC	763-479-4449	145 Railway St. W.	Loretto	MN	55357
Callister, AaronTensegrity Fitness Inc	952-226-3481 507-732-7047	92 West 5th 6880 Boudin Street	Prior LakeZumbrota	MN	55372 55992
Tim Hanson	218-825-8100	1313 S. 6th St.	Brainerd	MN	56401
Totally Fit, LLC	320-845-7888	1550 Railroad Ave	Albany	MN	56307
Triple H Fitness, LLC	952-442-3815	120 Vine St. S.	Waconia	MN	55387
TWF, Inc.	612-221-2787	605 Lewis Ave. N	Watertown	MN	55388
Vidya Investment Properties, Inc.	507-289-2124	2477 Clare Ln NE	Rochester	MN	55906
Waite Park Fitness, LLC	320-217-5858	1405 Division Street	Waite Park	MN	56387
WGS Fitness, LLC	952-322-4560	14050 Pilot Knob Rd. Unit 106	Apple Valley	MN	55124
WGS Fitness, LLC	763-231-0125	1400 County Road 101 N	Plymouth	MN	55447
WGS Fitness, LLC	952-997-9753	7409 179th Street	Lakeville	MN	55044
Winter-Borden Bemidji Fitness, LLC	218-444-9163	3835 Supreme Ct. NW	Bemidji	MN	56601
Wood Lake Associates, LLC	612-823-1333	1207 Lagoon Ave	Minneapolis	MN	55408
Wowchak, Andrew	952-314-1499	5125 Edina Industrial Blvd.	Edina	MN	55439
BR Diversified, LLC	816-500-5149	4311 Commonwealth Ct.	St. Joseph	MO	64507
Cadwell, Walter and Velda	660-886-4455	807 Cherokee St	Marshall	MO	65340
Cannon, Jack	816-524-8555	631 NE Woods Chapel Rd	Lee's Summit	MO	64064
Daves Health and Fitness II Inc.	636-257-7997	250 LaMar Parkway	Pacific	MO	63069
Romine, —DaveDave's Health & Fitness, Inc.	636-432-0024	848 Washington Corners	Washington	MO	63090
Schopp, Mark	636-337-7350	42878 Hwy 24	DeSoto	MO	63020
Romine, Dave	636-257-7997	250 LaMar Parkway	Pacific	MO	63069
Pettinari, Ben	314-846-4414	6070 Telegraph Rd.	Oakville	MO	63129
Sestak, Brian	417-889-7627	3659 East Sunshine	Springfield	MO	65809
Hirsch, MarkH & M Partners LLC	816-623-9775	881 LeMans Lane	Lee's Summit	MO	64082
Healthy Addiction, LLC	636-587-3470	431 Meramec Blvd	Eureka	MO	63025
Invest In You Inc.	636-240-3934	1084 Tom Ginnever Ave.	O Fallon	MO	63366
J. Michael Fitness, LLC	314.875.0234	6451 Clayton Road	St. Louis	MO	63117
JLS Partners, LLC	816-741-7766	6300 N. Chatham Avenue	Kansas City	MO	64151
Mooneyham, —GregJRG Fitness Operations, LLC	417-725-6656	830 West Mount Vernon Suite #7	Nixa	MO	65714
Andrade, Misti	314.533.7627	4477 Forest Park Ave.	St. Louis	MO	63108
Schopp, Mark	636-583-2259	29 Silo Drive	Union	MO	63084
Leftridge, Gordon	636-587-3470	431 Meramec Blvd	Eureka	MO	63025
Malone Campbell, RonLLC	573-468-5656	575 Walmart Drive	Sullivan	MO	63080
Meyer, Tracy and MatthewMMMKZ, Inc.	636-337-7350 660-886-4455	12878 Hwy 21807 Cherokee St	DeSotoMarshall	MO	63020 65340
Lewis, Marc	816-741-7766	6300 N. Chatham Avenue	Kansas City	MO	64151
Wileox, —Scott & CynthiaMMMKZ, Inc.	636-240-3934 583-2259	1084 Tom Ginnever Ave.29 Silo Drive	O FallonUnion	MO	63366 63084
Reed, GeorgeNALA Fitness CWE, LLC	314-317-9300 533.7627	4477 Forest Park Ave.13379 Olive Blvd	St. LouisChesterfield	MO	63108 63017

Franchisee Name	Phone	Address	City	State	Zip
Pettinari, Ben	3148464414	6070 Telegraph Rd.	Oakville	MO	63129
Romine Health and Fitness, Inc.	636-745-8222	10 Wildcat Dr.	Wright City	MO	63390
Chambers, Chris & Mindy Abby and Jerrell	816-382-3400 436-7627	9572 N. McGee Street Green Hills Road	Kansas City	MO	64155 64154
Schopp, Mark	636-282-4229	2855 Seckman	Imperial	MO	63052
Tallis, Mike	314-875-0234	6451 Clayton Road	St. Louis	MO	63117
Parrott, Matthew Sestak Fitness, Inc.	866-680417-889-7627 (SNAP)	3659 East Sunshine Street	Springfield	MO	65809 64455
Cannon, Jack & Sabrina Square One Fitness, Inc.	314-317-9300 816-524-8555	13379 Olive Blvd Chapel Rd	Chesterfield	MO	63017 64064
Romine, Dave	636-745-8222	10 Wildcat Dr.	Wright City	MO	63390
Stetelman, Andy BDK Fitness LLC	601-268-3958 383-4445	3906 Hardy St. 7048 Old Canton Rd, Ste 1004	Hattiesburg	MS	39402 39157
Cutrer, Dean Bossier and Wiese East, LLC	601-684-1990 662-550-4800	1056A Highway 98-51 1903 B University Avenue	McComb	MS	39648 38655
Herbert, Dave	601-469-9215	1303 Highway 35 South	Forest	MS	39074
Bossier, Todd Wiese & Wiese, LLC	662-259-2256	304 Heritage Drive	Oxford	MS	38655
Mapes, Kyle Brandon Healthplex LLC	601-992-7188 469-9215	1149 Old Fannin Rd 1303 Highway 35 South	Brandon	MS	39047 39074
Riekhof, Jack BRAY Holdings, LLC	601-806-2686 662-323-5611	3275 Hwy 49 Suite 10 100 Starr Ave.	Collins	MS	39759 39428
Herbert, Dave	769-233-8249	200 Riverwind East Dr.	Pearl	MS	39208
Watson, Craig J & J Fitness, Inc.	662-323-5611 601-442-5454	100 Starr Ave. 347 D'everaux Drive	Starkville	MS	39759 39120
Nobles, Keith & Daina KAM Southern Enterprises, LLC	601-383-4445 5992-7188	70481149 Old Canton Fannin Rd, Ste 1004	Ridgeland	MS	39157 39047
Bounds, Brad LLC Snap Fitness Macomb	601-582-7708 684-1990	1229 Hwy 42 1056A Highway 98-51	Petal	MS	39465 39648
Cutrer, Dean Muscle Magic LLC	228-712-2660 601-823-7080	2400 Denny Ave. 939 Brookway Blvd.	Pascagoula	MS	39567 39604
Bounds, Brad	601-693-1818	2405 Hwy 39 North	Meridian	MS	39301
earr, michael Pump Room, Inc.	662-627-5511	650 Friars Point Road	Clarksdale	MS	38614
Saraste, LLC	601-268-3958	3906 Hardy St.	Hattiesburg	MS	39402
Scoggins and Wiese, Brian LLC	662-294-8800	1218 Sunset Drive	Grenada	MS	38901
Hilton, David Snap Fitness Brookhaven, LLC	601-823-7080 228-712-2660	939 Brookway Blvd. 2400 Denny Ave.	Brookhaven	MS	39601 39567
Snap Fitness of Natchez, LLC	601-442-5454	347 D'everaux Drive	Natchez	MS	39120
Blum, Kevin Southeast Fitness, LLC	228-831-5740 601-582-7708	110101229 Hwy 4942	Petal	MS	39504 39465
Barria, Ray Southeast Fitness, LLC	601-806-2686 693-1818	32752405 Hwy 49 Suite 1039 North	Collins	MS	39428 39301
L&TC, Inc.	406-586-0240	85 West Kagy	Bozeman	MT	59715
Malmstrom, Jim LJM Fitness, LLC	406-656-4309	1780 Shiloh Rd.	Billings	MT	59106
LJM Fitness, LLC	406-628-2919	413 SE 4th Street	Laurel	MT	59044
McNamara, Beth Properties, LLC	406-388-0433	207 West Main Street	Belgrade	MT	59714
Steinman, Dennis and Teresa Western Montana Fitness LLC	406-727-2077	2104 10th Avenue South	Great Falls	MT	59405
Broling, Doug	406-586-0240	85 West Kagy	Bozeman	MT	59715
Malmstrom, Jim	406-628-2919	413 SE 4th Street	Laurel	MT	59044
Steinman, Dennis and Teresa Western Montana Fitness LLC	406-761-4971	125 NW Bypass	Great Falls	MT	59404
Kellem, Henry ACE Fitness, LLC	704-542-0009 895-7474	11914 Elm Lane 130 Harbour Place Drive	Davidson	NC	28036 28277
Carolina Fit Corp.	704-765-4208	655 Brawley School Road	Mooreville	NC	28117
Coutts, Dave Enterprises, Inc.	919-847-1441	1141 Falls River Ave	Raleigh	NC	27614
DEC Fitness, LLC	704-439-4543	11159 Davinci Drive	Davidson	NC	28036
Faircloth Fitness Enterprises, Inc.	336-853-7627	4705 S NC Hwy 150	Lexington	NC	27295



Franchisee Name	Phone	Address	City	State	Zip
Freedom Fitness, Inc.	910-329-0033	624 U. S. Highway 17 South	Holly Ridge	NC	28445
Friendly Fitness Inc.	252-636-9627	3960 Dr. Martin Luther King Jr. Blvd.	New Bern	NC	28562
Ganz Athletics, LLC	(704) 624-8400	7427 MATTHEWS-MINT HILL RD	MINT HILL	NC	28227
Ghaleb Interests, LLC	704-523-4015	4805 Park Road	Charlotte	NC	28209
Hammer, Ken	252-838-1196	704 Hwy 70 Otway	Beaufort	NC	28516
Heights Fitness, LLC	704-542-0009	11914 Elm Lane	Charlotte	NC	28277
Hometown Fitness, LLC	252-758-7627	2120 E Fire Tower Rd.	Greenville	NC	27858
Impoco, Lisa Marie	919-545-0095	120 Lowes Drive	Pittsboro	NC	27312
JS Vida, Inc.	919-942-7700	300 Market St. Suite 110	Chapel Hill	NC	27516
JWW Enterprises, LLC	704-784-0678	6052 Bayfield Parkway	Concord	NC	28027
KSH Ventures, Inc.	252-777-4349	6919 Hwy. 70 East	Newport	NC	28570
LED Fitness, LLC	704-243-2935	3913 Providence Road S	Waxhaw	NC	28173
M&L Decker Enterprises, Inc.	919-365-7627	2493 Wendell Blvd	Wendell	NC	27591
Ocasio, Ismael and Sarah	910 423 7627	3350 Footbridge Lane	Fayetteville	NC	28306
PJB Health and Fitness, LLC	336-643-5501	1433 B (68 Place) Highway 68 North	Oak Ridge	NC	27310
RG Fitness Enterprises Inc.	252-622-4222	2900 Arendell St	Morehead City	NC	28557
RG Fitness Enterprises, Inc.	252-728-3357	1718 Live Oak st	Beaufort	NC	28516
Shortpump Fitness LLC	252-652-6474	965 East Main Street	Havelock	NC	28532
Thompson, Shawn	704-821-1007	1365 Chestnut Lane	Matthews	NC	28104
White, John	704-226-1315	1310 Wesley Chapel Rd.	Indian Trail	NC	28079
Gillikin, Rocky	252-728-3357	1718 Live Oak st	Beaufort	NC	28516
Ghaleb, Edward	704-523-4015	4805 Park Road	Charlotte	NC	28209
Impoco, Lisa Marie	919-545-0095	120 Lowes Drive	Pittsboro	NC	27312
Cennamo, Victor & Amie	704 439-4543	11159 Davinci Drive	Davidson	NC	28036
Litalien, Dennis	252-652-6474	965 East Main Street	Havelock	NC	28532
Cennamo, Victor & Amie	704-895-7474	130 Harbour Place Drive	Davidson	NC	28036
Howard, Dennis	252-758-7627	2120 E Fire Tower Rd.	Greenville	NC	27858
Fairecloth, Mindy	336-853-SNAP (7627)	4705 S NC Hwy 150	Lexington	NC	27295
Drawdy, Tripp & Elyse	704-243-2935	3913 Providence Road S	Waxhaw	NC	28173
Howard, Dennis	252-636-9627	3960 Dr. Martin Luther King Jr. Blvd.	New Bern	NC	28562
White, John	704-784-0678	6052 Bayfield Parkway	Concord	NC	28027
Simpson, Scott	336-643-5501	1433 B (68 Place) Highway 68 North	Oak Ridge	NC	27310
Hammer, Ken	252-777-4349	6919 Hwy. 70 East	Newport	NC	28570
Gillikin, Rocky	252-622-4222	2900 Arendell St	Morehead City	NC	28557
Widman, Victoria and Dan	919-960-6688	1848 Martin Luther King Jr. Blvd.	Chapel Hill	NC	27514
Litalien, Dennis	701-852-2424	401 40th Ave. SW	Minot	ND	58501
GL Fitness, Inc.	910-329-0033	624 U. S. Highway 17 South	Holly Ridge	NC	28445
Decker, Mark	701-364-5545	1375 21st Ave N	Fargo	ND	58102
JCMO2, LLC	919-365-SNAP (7627)	2493 Wendell Blvd	Wendell	NC	27591
Ocasio, Ismael and Sarah	910-423-701-672-7627	3350 Footbridge Lane	Fayetteville	NC	28306
LMK Fitness Centers Inc	828-256-1099	403 Dakota Ave	Wahpeton	ND	58074
Everman, Perrin	919-942-7700	950 2nd Street NE	Hickory	NC	28601
Widman, Victoria and Dan	704-821-1007	300 Market St. Suite 110	Chapel Hill	NC	27516
Thompson, Shawn	matthewsnc@snapfitness.com	1365 Chestnut Lane	Matthews	NC	28104
Hammer, Ken	252-838-1196	704 Hwy 70 Otway	Beaufort	NC	28516
Beasley, Brent	(704) 765-4208	655 Brawley School Road	Mooresville	NC	28117
Ganzenmuller, Kristin	(704) 624-8400	7427 MATTHEWS-MINT HILL RD	MINT HILL	NC	28227
Abrahamson, Mike	701-356-3651	4265 45th Street S.	Fargo	ND	58104
LMK Fitness Centers, Inc.					

Franchisee Name	Phone	Address	City	State	Zip
Abrahamson, Mike LMK Fitness Centers, Inc.	701-356-3650	521 32nd Ave West	West Fargo	ND	58078
LMK Fitness Centers, Inc.	701-356-1095	1525 32nd Ave. South	Fargo	ND	58103
Lybeck, Todd and Kristina	701-845-0000	323 Central Ave. North	Valley City	ND	58072
Abrahamson, Mike	701-356-1095	1525 32nd Ave. South	Fargo	ND	58103
Torres, Nadir Northstar Fitness Centers, LLC	701-751-7627	809 West Interstate Ave. 3111 N. 14th St.	Bismarck	ND	58503
Lybeck, Todd and Kristina	701-852-2424	401 40th Ave. SW	Minot	ND	58701
Arntson, Barbara/Gabe	701-746-9884	2750 Gateway Dr.	Grand Forks	ND	58203
Anderson, Renee REA Centers Inc.	701-757-7627	4571 South Washington Street	Grand Forks	ND	58201
Abrahamson, Mike	701-672-7627	403 Dakota Ave	Wahpeton	ND	58074
Torres, Nadir REA Centers Inc.	701-751-7777	3111 N. 14th St. 809 West Interstate Ave.	Bismarck	ND	58503
Opp, Gary AIN Enterprises, Inc. moo	402-646-2000 701-364-5545	33 Main Street 1375 21st Ave N	Seward Fargo	ND NE	58102 68434
Bargen, Dennis	402-564-1010	825 23rd St.	Columbus	NE	68601
Collier, Barb	402-476-5444	5633 NW 1st Street, Suite #105	Lincoln	NE	68521
Moore, Scott	402-646-2000	33 Main Street	Seward	NE	68434
Bargen, Dennis	402-991-7884	3503 Samson Way #112	Bellevue	NE	68123
Wischmeier, Jay Elite Fitness LLC	402-327-0182	1777 N 86th St.	Lincoln	NE	68505
Ferguson, Darren Gibbs, Megan	402-476-7627	4910 Old Cheney Road, Suite #1	Lincoln	NE	68516
LOPT LLC	402-261-5439	5633 South 16th Street	Lincoln- Southwest	NE	68512
Peterson's Sports Performance LLC	402-489-1123	5900 S 85th	Lincoln	NE	68526
Schneider, Ashlee Training, LLC	308-398-3488	217 E. Stolley Park Rd.	Grand Island	NE	68801
Choutka, Pat TJC Fitness Inc.	402-466-7627	4010 North 27th Street	Lincoln	NE	68521
Choutka, Pat TJC Fitness, Inc.	402-786-0234	13220 Callum Drive Suite 6	Waverly	NE	68462
Wischmeier, Jay	402-489-1123	5900 S 85th	Lincoln	NE	68526
Ferguson, Darren	402-261-5439	5633 South 16th Street	Lincoln- Southwest	NE	68512
Bargen, Dennis	402-564-1010	825 23rd St.	Columbus	NE	68601
Santarelli, Cheryl	603-525-0033	290 Derry Road	Hudson	NH	3051
Aeker, David Minerva Vox , LLC	603-671-7008	880 Central Street	Franklin	NH	3235
Parkins, Kim	973-575-0052	16 Route 46	Pine Brook	NJ	7058
Marzarella, James	732-361-1397	4070 Asbury Ave.	Tinton Falls	NJ	7753
Malik, Ajani A Fitter Life, LLC	732-251-3348	404 Main Street	Spotswood	NJ	8884
Kedash, John	973-875-0600	455 State Route 23	Wantage	NJ	7461
Hall, Richard and Caroline	908-238-1915	1465 Route 31	Annandale	NJ	8801
Lawson, Lorraine	609-927-8300	3 Bethel Road	Somers Point	NJ	8244
McAtee, Shari	973-409-4299	5677 Berkshire Valley Road	Oak Ridge	NJ	7438
McAtee, Shari	973-764-SNAP	514 State Route 515	Vernon	NJ	7462
D'Angelo, Chris	856-262-0200	141 Tuckahoe Road	Sewell	NJ	8080
Ercolano, Chuck	908-806-0007	30 Royal Road	Flemington	NJ	8822
Hirsch, Arthur	732-290-7627	318 Lloyd Rd.	Aberdeen	NJ	7747
Selfridge, Steven Bailey Monster Enterprises, LLC	856-988609-702-7627 (SNAP)	7951351 Route 70 East 38 W	Hainesport Marlton	NJ	80368053
Wood, Jr., John Byberry Services Solutions, LLC	609-534-5255 856-845-9444	1450 Clements Bridge 23202 Columbus Road, Suite A	Deptford Columbus-Mansfield	NJ	80968022
Goldstein, Gail Fitness Gold, LLC	732-521-1717	198 Buckelew Ave	Jamesburg	NJ	8831
Regen, Jed Flex Fitness, LLC	973-575-0052 201-252-2536	16 Route 46 145 Franklin Turnpike	Pine Brook Mahwah	NJ	7430 7058
Foxwell, Mike & Adele	609-953-7627 (SNAP)	7 Wilkins Station Rd	Medford	NJ	8055
Green Garden Enterprises, LLC	(908) 454 1200	51 North Broad Street	Phillipsburg	NJ	8865
Foxwell, Mike & Adele Haig Club 1253, LLC	908-363-1160 609-702-7627	13513150 Route 38 W 22	Hainesport Branchburg	NJ	80368876
Jajem, LLC	732-290-7627	318 Lloyd Rd.	Aberdeen	NJ	7747
JK Fitness, LLC	973-875-0600	455 State Route 23	Wantage	NJ	7461
Lorrick, LLC	609-328-3379	4 W. Roosevelt Blvd.	Marmora	NJ	8223

Franchisee Name	Phone	Address	City	State	Zip
Malik, Ajani Fitness LLC	609-799-7800	5 Schalks Crossing Road	Plainsboro	NJ	8536
MCE Fitness LLC	908-806-0007	30 Royal Road	Flemington	NJ	8822
New Vista Annandale LLC	908-238-1915	1465 Route 31	Annandale	NJ	8801
Lawson, Lorraine Paschick Fitness, LLC	609-390-4800/357-1177	1278 Yardville-Allentown Rd 4-W. Roosevelt Blvd.	Allentown	NJ	8501
Fazio, Ed Ringwood Fitness, LLC	973-556-5956	115 Skyline Dr	Ringwood	NJ	7456
Schmidt, Robert	908-320-4247	1515 Route 22 West	Watchung	NJ	7069
Shari's Exercise Express LLC	973-409-4299	5677 Berkshire Valley Road	Oak Ridge	NJ	7438
McAtee, Shari Shari's Exercise Express LLC	973-506-4333	20 Marshall Hill Rd.	West Milford	NJ	7480
Shari's Exercise Express, LLC	973-764-7627	514 State Route 515	Vernon	NJ	7462
Malik, Ajani Supreme Fitness, LLC	609-371-SNAP (7627)	2025 Old Trenton Rd.	West Windsor	NJ	8550
Haig, Richard TC Fitness, LLC	856-988-7627 908-363-1160	3150795 Route 2270 East	Marlton Branchburg	NJ	80538876
Treger, Douglas Team Lawson, LLC	609-328-3379 (908) 454-1200	3 Bethel Road 51 North Broad Street	Somers Point Phillipsburg	NJ	82448865
TR Enterprises, LLC	201-252-2536	115 Franklin Turnpike	Mahwah	NJ	7430
Weller, Kyle	201-301-0155	576 Bergen Blvd.	Ridgefield	NJ	7657
Schmidt, Robert	908-320-4247	1515 Route 22 West	Watchung	NJ	7069
Schick, Paul	609-357-1177	1278 Yardville-Allentown Rd	Allentown	NJ	8501
Frazier, Stephen Wood, Jr., John	856-579-7199 609-534-5255	23202 Columbus 1450 Clements Bridge Road, Suite A	Columbus Mansfield Deptford	NJ	80228096
Musshorn, Elmer	575-521-7627	1763 B East University Ave.	Las Cruces	NM	88001
Nannemann, Lynn Finish the Race Inc.	505-839-1535	1530 Tramway Blvd. NE	Albuquerque	NM	87112
Nannemann, Lynn Finish the Race Inc.	505-332-3944	12251 Academy 7900 Carmel Ave. NE	Albuquerque	NM	8711087122
Nannemann, Lynn Finish the Race Inc.	505-890-5377	5740 Night Whisper NW	Albuquerque	NM	87114
Cour, Lisa	505-908-9978	300 Menaul Blvd NW	Albuquerque	NM	87107
Maldonado, Dennis and Anastacia Endeavors Inc	505-565-7711	1400 Main Street NW	Los Lunas	NM	87031
Peace and Justice, LLC	505-908-9978	300 Menaul Blvd NW	Albuquerque	NM	87107
SBG, LLC	702-254-7627	9325 S. Cimarron #100	Las Vegas	NV	89178
Waa De Enterprises Inc.	702-433-7627	8011 N. Durango Dr.	Las Vegas	NV	89143
Moore, Denyse WaaDe Enterprises Inc.	702-731-4100	3350 Novat Street Suite 160	Las Vegas	NV	89129
Moore, Denyse WaaDe Enterprises Inc.	702-586-3089	8360 N. Decatur Blvd.	North Las Vegas	NV	89131
Moore, Denyse 24/7 Fitness Inc.	716-338-9882 702-433-7627	707 Fairmount Ave. 8011 N. Durango Dr.	Jamestown Las Vegas	NV NY	1470189443
Feddy, Jackie 24/7 Fitness, Inc.	716-661-3690 702-254-7627	764 Foote Ave. 9325 S. Cimarron #100	Jamestown Las Vegas	NV NY	1470189478
Berry, Bill & Beth B Squared Fitness LLC	716.947.9010	6950 Erie Rd.	Derby	NY	14047
Williams, Charles	516-765-3150	808B Hicksville Road	North Massapequa	NY	11758
Viveros, Enrique	585-594-3FIT	4390 Buffalo Road	North Chili	NY	14514
Burghardt, Fred Back Nine Enterprises, Inc.	585-398-7732	1560 State Route 332	Farmington	NY	14425
Bradish, Scott	716-661-3690	764 Foote Ave.	Jamestown	NY	14701
Marzano, Jim and Tina	518-792-0039	1340 Saratoga Rd	Gansevoort	NY	12831
Cagnin, Sandro	518-943-3232	321 Main St.	Catskill	NY	12414
Bradish, Scott	716-338-9882	707 Fairmount Ave.	Jamestown	NY	14701
Burghardt, Fred	585-571-4343	3892 Scottsville Rd.	Scottsville	NY	14546
Graham, Lorna	914-734-7627	2605 Crompond Rd	Cortlandt Manor	NY	10567
Lopez, Maritza BJBLBK, LLC	716-775-8486 607-739-4220	2898 Westinghouse 2055 Baseline Road	Horseheads Grand Island	NY	1484514072
Sivin, Greg Body & Mind Fitness, Inc.	631-499-0005	3051 Jericho Turnpike	East Northport	NY	11731
Viveros, Enrique Cagnin Fitness, LLC	518-943-3232 607-973-2888	82 W Market 321 Main St.	Corning Catskill	NY	1483012414



Franchisee Name	Phone	Address	City	State	Zip
Fazio, Ed	845-269-3333	32 South Liberty Drive	Stony Point	NY	10980
Kelley, BridgetJBLBK, LLC	716-508-8400	4180 North Buffalo Rd.	Orchard Park	NY	14127
Kelley, BridgetJBLBK, LLC	716-655-6600	572 Main Street	East Aurora	NY	14052
Fazio, EdJTM Fitness, Inc.	<del>518-792-0039</del> 845-269-3333	<del>1340 Saratoga Rd</del> 32 South Liberty Drive	<del>Gansevoort</del> Stony Point	NY	<del>12831</del> 10980
Marzano, Jim and TinaJTM Fitness, Inc.	518-670-0050	821 Main St.	Clifton Park	NY	12065
Watterson, Julie	631-706-4602	4042-44 Nesconset Hwy.	East-Setauket	NY	11733
Lopez, Maritza	315-279-1065	203 Lake St.	Penn-Yan	NY	14527
Brown, SteveJules Fitness, LLC	914-205-0030	251 S. Central Ave.	Hartsdale	NY	10530
Menna Fitness Inc.	914-734-7627	3605 Crompond Rd	Cortlandt Manor	NY	10567
Kelley, BridgetMeta-Fitness LLC	716-775-8486201-4663	<del>2055 Baseline</del> 3976A Lockport Olcott Road	<del>Grand Island</del> Lockport	NY	<del>14072</del> 14094
Wendel, Jeff	937-547-3311	1317 Wagner Ave	Greenville	OH	45331
Kearney, Steve	513-248-0063	1079-A State Route 28	Milford	OH	45150
Sehaef, Ken and KarenPrincipino, David	<del>585-571-4343</del> 330-825-0002	<del>3300 Greenwich</del> 3892 Scottsville Rd.	<del>Norton</del> Scottsville	OH NY	<del>44203</del> 14546
Vilop Fitness LLC	315-279-1065	203 Lake St.	Penn Yan	NY	14527
Vinama First LLC	607-739-1220	2898 Westinghouse Road	Horseheads	NY	14845
McCoy, PatrickViveros Enterprises LLC	<del>607-973-2888</del> 330-626-3882	<del>937482 W Market Square Drive</del> St	<del>Streetsboro</del> Corning	OH NY	<del>44241</del> 14830
Viveros Fitness LLC	585-594-3FIT	4390 Buffalo Road	North Chili	NY	14514
Wendel, KimBeach-BOD Enterprises, LLC	419-300-9623697-7627	<del>3555 Navarre Ave</del> 1182 Indiana Avenue	<del>Oregon</del> St. Marys	OH	<del>43616</del> 45885
Miller, Dave	330-534-0101	123 East Liberty Street	Hubbard	OH	44425
Brown, MarvinGerke, Scott	513-574937-428-7627	<del>9468 Springboro Pike</del> 6701 Ruwes Oak Dr.	<del>Miamisburg</del> Cincinnati	OH	<del>45342</del> 45248
Appel, MarianneColebamana Enterprises Inc.	513-229-7300	4200 Aero Drive	Mason	OH	45040
Colebamana Enterprises Inc.	513-480-0999	5952 S. State Route 48	Maineville	OH	45039
Dan Pierson, LLC	513-245-4966	15 East 7th St.	Cincinnati	OH	45202
E6, LLC	614-754-7014	864 S Third St	Columbus	OH	43206
E6, LLC	614-824-2082	2656 E. Main Street	Bexley	OH	43209
EDF Enterprises DW, LLC	614-299-9006	18 East Hubbard Avenue	Columbus-Short North	OH	43215
EDF Enterprises UA, LLC	614-824-5291	2080 Arlington Ave	Upper Arlington	OH	43221
EDF Enterprises, LLC	614-559-9955	1409 West 3rd Ave.	Grandview	OH	43212
Emerald Fitness LLC	614-356-8389	5615 Woerner-Temple Road	Dublin	OH	43017
Fitright Training & Consulting, LLC	330-963-6527	7995 Darrow Rd.	Twinsburg	OH	44087
Bruney, Scott & MaryGagliardi Health Solutions, LLC	614-777-9317289-6300	<del>2467 Hilliard</del> Rome 2695 East Johnstown Rd.	<del>Hilliard</del> New Albany	OH	<del>43026</del> 43054
Gleason, Richard	440-993-0033	3705 State Rd	Ashtabula	OH	44004
HKS, CompanyBrown, Marvin	<del>419-491-4688</del> 937-428-7627	<del>7111 Orchard Centre Drive</del> 9468 Springboro Pike	<del>Holland</del> Miamisburg	OH	<del>43528</del> 45342
Edgington, Kipp	614-559-9955	<del>1409 West 3rd Ave.</del>	<del>Grandview</del>	OH	43212
McCoy, PatrickHubbard Fitness Center, Inc.	330-995-0795534-0101	<del>317123 East Garfield Rd</del> Liberty Street	<del>Aurora</del> Hubbard	OH	<del>44202</del> 44425
McIntire, MarkJ Wendel Enterprises, Ltd.	937-372-5500547-3311	<del>40 S. Progress Drive</del> 1317 Wagner Ave	<del>Greenville</del> Xenia	OH	<del>45385</del> 45331
J Wendel Enterprises, Ltd.	567-890-7627	909 East Wayne Street	Celina	OH	45822
J. Wendel, Jeff Enterprises, LLC	419-678-SNAP (7627)	531 S. Eastern Av.	St. Henry	OH	45883
KK Fitness II, LLC	330-460-4446	2264 Locust Street	Canal Fulton	OH	44614
KK Fitness, Inc.	330-825-0002	3300 Greenwich Rd.	Norton	OH	44203
KMQ Fitness, LLCStaiger, Jack and Gayle	513-863-7627248-0063	<del>5174 1079-A State Route</del> 28 Pleasant Ave	<del>Milford</del> Fairfield	OH	<del>45014</del> 45150

Franchisee Name	Phone	Address	City	State	Zip
McIntire Franchising, LLC Edgington, Kipp	937-372-5500 614-754-7014	40 S. Progress Drive 864 S Third St	Columbus Xenia	OH	45385 43206
Edgington, Kipp Miller Time Fitness, Inc.	330-644-7627 614-824-5294	3235 Manchester Road Arlington Ave	Akron Upper Arlington	OH	43224 44319
Wendel, Jeff Oxgate Partners, Inc.	330-995-0795 567-890-7627	909317 East Wayne Street Garfield Rd	Celina Aurora	OH	45822 44202
Edgington, Kipp Oxgate Partners, Inc.	330-626-3882 740-417-4800	820 Sunbury Road 9374 Market Square Drive	Delaware Streetsboro	OH	43015 44241
Edgington, Kipp Oxgate Partners, Inc.	330-527-8032 614-824-2082	8289 Windham 2656 E. Main Street	Garrettsville Bexley	OH	43209 44231
Beach, Mark and Beth Appel, Marianne	419-697-SNAP (7627) 513-480-0999	3555 Navarre Ave. 5952 S. State Route 48	Oregon Maineville	OH	43616 45039
Ross Barry, Ross	330-474-2910	2500 Ohio 59	Kent	OH	44240
McCoy, Patrick SMC Fitness, LLC	330-425-1445 614-777-9317	3100 Glenwood Blvd. 2467 Hilliard Rome Rd.	Reminderville Hilliard	OH	43026 44087
McGavin, Paul SRG Fitness, LLC	513-574-7627 419-491-4688	6701 Ruwes Oak Dr. 7111 Orchard Centre Drive	Cincinnati Holland	OH	43284 45248
Staiger, Jack and Gayle Health Systems Inc.	513-988-8322	711 E. State Street	Trenton	OH	45067
Pierson, Daniel Schaef, Ken and Karen	513-245-4966 330-460-4446	45 East 7th St. 2264 Locust Street	Cincinnati Canal Fulton	OH	45202 44614
Ballard, Mike Tiger Eye Investments, Inc.	937-444-5230	127 North Point Drive	Mt. Orab	OH	45154
Carey, Ed Wendel and Co., LLC	419-300-9623 614-356-8389	1182 Indiana Avenue 5615 Woerner Temple Road	St. Marys Dublin	OH	43017 45885
Williams, Isaac	405-603-7454	3800 North MacArthur Blvd.	Warr Acres	OK	73122
Brownlee, Craig and Kelly	918-948-8433	7125 C South Yale Ave.	Tulsa	OK	74136
Hillen, David and Dawn Fit One, Inc.	405-603-7451 503-645-7900	4415 North MacArthur Blvd. 48335 NW West Union Road	Warr Acres Portland	OR OK	97229 97312
Keefer, William	541-928-6723	640 Hickory Street	Albany	OR	97321
Harshberger, Russ	503-656-2580	19703 S Highway 213	Oregon City	OR	97045
Dyer, Randy	503-625-2700	16080 SW Tualatin Sherwood Rd.	Sherwood	OR	97140
Harshberger, Russ	503-266-5515	1109 SW 1st Avenue	Canby	OR	97013
Esch, Terri	503-807-6274	6296 SW Meadows Rd.	Lake Oswego	OR	97035
Muir, Randy	503-371-0919	152 Lancaster Drive SE	Salem	OR	97317
Harshberger, Russ	503-353-7627 (SNAP)	4200 SE King Road	Milwaukie	OR	97222
Keefer, William	503-991-5053	4555 Liberty Rd.	Salem	OR	97302
Muir, Randy 2DM Lifestyles, LLC	503-991-5902	1124 Wallace Rd. North West Suite 140	Salem	OR	97304
B5 Fitness, LLC Barrett, Matt	541-389-2550	2753 NW Lolo Drive	Bend	OR	97702
Barrans, Tim	541-382-2348	2700 NE 4th St.	Bend	OR	97701
Barrett, Matt B5 Fitness, LLC	541-389-2550	19550 Amber Meadow Drive.	Bend	OR	97702
Beneficial Group 2, LLC	503-353-7627	4200 SE King Road	Milwaukie	OR	97222
Beneficial Group, LLC	503-656-2580	19703 S Highway 213	Oregon City	OR	97045
Beneficial Group, LLC	503-266-5515	1109 SW 1st Avenue	Canby	OR	97013
Buckendorf, Leslie	503-400-6344	5442 River Road North	Keizer	OR	97303
Bul Mountain Enterprise, Inc.	503-645-7900	18335 NW West Union Road	Portland	OR	97229
Hillen, David and Dawn Bull Mountain Enterprises, LLC	503-746-7236	12264 SW Scholls Ferry Road	Tigard	OR	97223
Dream Life Ventures	541-382-2348	2700 NE 4th St.	Bend	OR	97701
Harris, Mike	503-379-0065	697 SW Keck Drive	McMinnville	OR	97128
HC Fitness West, LLC	503-807-6274	6296 SW Meadows Rd.	Lake Oswego	OR	97035
Health First Inc.	541-928-6723	640 Hickory Street	Albany	OR	97321
Health First, Inc.	503-991-5053	4555 Liberty Rd.	Salem	OR	97302
Jansson, Susan	541-512-6077	160 N. Pacific Hwy #8	Talent	OR	97540
Jansson, Susan	541-702-0700	650 G Street	Jacksonville	OR	97530
Jansson, Susan	541-210-5888	930 North Phoenix Road	Medford	OR	97504

Franchisee Name	Phone	Address	City	State	Zip
Dyer, RandyRAD Fitness Scappoose, LLC	503-987-7060	33464 Havlik Road	Scappoose	OR	97056
RAD Fitness Sherwood, LLC	503-625-2700	16080 SW Tualatin-Sherwood Rd.	Sherwood	OR	97140
Jansson, SusanST International LLC	541-201-2444	310 Oak Street	Ashland	OR	97520
Campbell, DuncanThe Muscle Train, LLC	503-334-1887	7110 SE Milwaukie Ave.	Portland	OR	97202
Buckendorf, LeslieA & I Fitness, LLC	724-452-9300 503-400-6344	100 Perry Hwy5442 River Road North	HarmonyKeizer	ORPA	1603797303
Mooneyham, GregA&I Fitness, LLC	814-941-SNAP (7627)314-8588	228 E. Chestnut Ave4059 Buffalo Road	Erie-Harborcreek, Altoona	PA	1651016604
Bahr, Robert	717-540-5414	2308 Patton Rd	Harrisburg	PA	17112
Bristol, Ray	717-741-2348	180 Leader Heights Road	York	PA	17402
Cliff Capital Management Inc.	215-257-8877	1143 N. 5th St.	Perkasie	PA	18944
DAGMAN, LLC	412-595-7879	4110 Brownsville Rd	South Park	PA	15129
Bromley, JamesDJB Investments, LLC	215-536-7650	238 S. West End Blvd	Quakertown	PA	18951
Damico, Dino and Debbie	724-744-7779	1075 Harrison City-Export Rd.	Jeannette	PA	15644
Mooneyham, Greg	484-684-6629	316 East Johnson Hwy.	Norristown	PA	19401
Dowd, Chris Company 1, LLC	610-789-4646	1011 Pontiac Road	Drexel Hill	PA	19026
Simonsen, Amy and ScottDowd Company 2, LLC	610-642-6200724-452-9300 or 814-450-4910	2320 Haverford Road400 Perry Hwy	ArdmoreHarmony	PA	1900316037
Harmon, Bonita	717-264-7627	89 St. Paul Dr.	Chambersburg	PA	17201
Stockton, JohnFitClubKY, LLC	610-385-5555767-2616	180 Old Swede Rd.200 S Best Ave.	DouglassvilleWalnutport	PA	1951818088
Hefner Bruley, Elizabeth	724-836-SNAP (7627)	6041 Route 30 West	Greensburg	PA	15601
Mooneyham, Greg	814-696-9996	167 Glimcher Drive	Duncansville	PA	16635
Staub, LorryFuture Gem Fitness, Corp.	484-786-5132724-553-5546	118-120 Graham Park DriveAirport Road	CoatesvilleCranberry Township	PA	1932016066
Mettee, Mike	(412) 828-8800	120 Allegheny River Blvd.	Verona	PA	15147
Owens, Sandy & Rich	412-837-2092	4721 McKnight Rd.	Pittsburgh	PA	15237
Damico, Dino and Debbie	724-744-7775	4016 Route 130	Irwin	PA	15642
Green, NigelGood Form, LLC	267-263-1205	1540 Cowpath Rd.	Hatfield	PA	19440
St. Pierre, David & JodiJaspen Inc.	717-653-1044	763 East Main Street	Mount Joy	PA	17552
St. Pierre, David & JodiJaspen Inc.	717-426-1600	312 Honeysuckle Drive	Marietta	PA	17547
Mettee, MikeJK Fitness One, LLC	610-385-5555724-325-1000	180 Old Swede Rd.2800 Golden Mile Hwy	DouglassvillePittsburgh	PA	1523919518
JRG Fitness Operations, LLC	814-310-9966	228 E. Chestnut Ave	Altoona	PA	16601
JRG Fitness Operations, LLC	814-310-4746	167 Glimcher Drive	Duncansville	PA	16635
Mooneyham, GregJRG Fitness Operations, LLC	814-266-7627310-4748	814 Scalp Ave.	Johnstown	PA	15904
Dowd, Chris	610-933-9050	785 Starr Street	Phoenixville	PA	19460
Mooneyham, GregJRG Fitness Operations, LLC	814-254-0022310-4750	1910 Minno Drive	Johnstown	PA	15905
Park, RalphLandmark Fitness I, Inc.	724-744-7779814-542-4242	1075 Harrison City-Export Rd.4 West Shirley Street	JeannetteMount Union	PA	1564417066
Fish, CarlLandmark Fitness II, LLC	724-744-7775215-257-8877	4016 Route 1304143 N. 5th St.	IrwinPerkasie	PA	1894415642
Liney, Bill	610-361-8232	45 W. Baltimore Pike	Glen Mills	PA	19342
Mettee Fitness Inc.	724-339-6100	#168 Hillcrest Shopping Center	Lower Burrell	PA	15068
Mettee Fitness, Inc.	412-828-8800	120 Allegheny River Blvd.	Verona	PA	15147
Mettee Fitness, Inc.	724.325.1000	2800 Golden Mile Hwy	Pittsburgh	PA	15239
P&R Group, Inc.	610-933-9050	785 Starr Street	Phoenixville	PA	19460
Pure Fitness Business Group, LLC	724-707-0225	204 Memorial Blvd.	Connellsville	PA	15425
Robinson, Spesh	724-204-8411	310 Countryside Plaza	Mt. Pleasant	PA	15666
Staub, LorryRU Fit Inc.	724-687-0456	162 Brickyard Rd.	Mars	PA	16046

Franchisee Name	Phone	Address	City	State	Zip
RU Fit, Inc.	724-553-5516	120 Graham Park Drive	Cranberry Township	PA	16066
Snap Fitness of MU, LLC	814-542-4242	1 West Shirley Street	Mount Union	PA	17066
Soho Fitness Partners Bangor, LLC, Schwartz, Stephen	610-588-5300	426 Blue Valley Drive	Bangor	PA	18013
Mettee, MikeStar Fitness, LLC	412-837-2092	4721 McKnight Rd. #168 Millerest Shopping Center	Pittsburgh	PA	15068
Owens, Star Fitness, LLC Sandy & Rich	412-821-7627	550 Butler Street	Etna	PA	15223
Bristol, RayWaljoh, LLC	717-741-2348 (BFit) 264-7627	89 St. Paul Dr. 180 Leader Heights Road	Chambersburg	PA	17201
McEvoy, Glenn	412-595-7879	4110 Brownsville Rd	South Park	PA	15129
Dowd, Chris	610-642-6200	2320 Haverford Road	Ardmore	PA	19003
Worrall, Margie Fitness Company, LLC	610-268-8100	921 Gap-Newport Pike	Avondale	PA	19311
Worrall, Margie Fitness Company, LLC	484-730-8070	162 Onix Drive	Kennett Square	PA	19348
Schwartz, Stephen	610-767-2616	200 S Best Ave.	Walnutport	PA	18088
Bloeker, Janice	484-786-5132	118-120 Airport Road	Coatesville	PA	19320
Worrall, Margie Fitness Company, LLC	484-365-2533	603 Oxford Commons Dr.	Oxford	PA	19363
Robinson, Spesh	724-204-8411	310 Countryside Plaza	Mt. Pleasant	PA	15666
Simonsen, Amy and Scott	814-314-8588	4059 Buffalo Road	Erie Harborcreek	PA	16510
Robinson, Spesh	724-707-0225	204 Memorial Blvd.	Connellsville	PA	15425
Dieterlen, Wendy	843-856-3600	1039 Hwy 41	Mt. Pleasant	SC	29466
Crigler, Michael and Patricia Ventures, LLC	803-802-7348	3150 Hwy 21	Fort Mill	SC	29715
Edmunds, Timothy	803-462-9332	843 Polo Road	Columbia	SC	29223
Red One Associates	843-856-3600	1039 Hwy 41	Mt. Pleasant	SC	29466
Casey Jones, Riek Inc.	605-692-7627 (SNAP)	1009 Main Ave. South	Brookings	SD	57006
Donhiser, Dr. William J JEC-DD, LLC	605-716-7627 232-8713	317 Dakota Dunes Blvd. 5622 Sheridan Lake Road #106	Rapid North Sioux City	SD	57702 57049
Jones, Riek and Martin, Inc.	605-878-SNAP (7627)	108 9th Ave SE	Watertown	SD	57201
Richardson, Cody	605-232-8713	317 Dakota Dunes Blvd.	North Sioux City	SD	57049
Jones, Riek and Wells Inc.	605-262-SNAP (7627)	1601 6th Avenue SE	Aberdeen	SD	57401
Personally Fit LLC	605-716-7627	5622 Sheridan Lake Road #106	Rapid City	SD	57702
Anderson, Bruce Snap Fitness of Sioux Falls, Inc.	605-274-0414	1516 S. Sycamore Ave.	Sioux Falls	SD	57110
Tschetter, John	605-791-5313	1565 Haines Ave.	Rapid City	SD	57701
Anderson, Bruce Snap Fitness of Sioux Falls, Inc.	605-275-0515	5014 S. Marion Road	Sioux Falls	SD	57106
Sneaky Gopher, Inc.	605-791-5313	1565 Haines Ave.	Rapid City	SD	57701
6 Fitness LLP	615-332-7888	1309 Bell Rd.	Antioch	TN	37013
American Weight Loss Clinics, LLC	423-343-5145	2626 East Stone Drive	Kingsport	TN	37660
Ballard, Ryan BE Fitness, LLP	615-793-9675	1925 Madison Square Blvd.	La Vergne	TN	37086
Wilkinson, Steve	615-353-7222	73 White Bridge Rd.	Nashville	TN	37205
Hennessy, Jay	615-826-5996	711 East Main Street	Hendersonville	TN	37075
Fesperman, Teena	865-577-6633	7343 Chapman Highway	Knoxville	TN	37920
James, Marq	615-834-0088	6019 Nolensville Road	Nashville	TN	37211
Chase, Horace Harbor Enterprises, LLC	731-736-1352	398 Oil Well Road	Jackson	TN	38305
Hennessy, Jay CoreFit, LLC	901-457-7351 615-792-0400	9947 Wolf River Blvd. 232 Hutton Place Suite 146	Germantown Ashland City	TN	37015 38139
Ware, Bryan	865-693-4303	10673 Hardin Valley Rd.	Knoxville	TN	37932
Makela, John	865-357-2444	8651 Middlebrook Pike	Knoxville	TN	37923
Karkau, David	615-332-7888	1309 Bell Rd	Antioch	TN	37013
Cosgrove, John	(423)-855-8950	1667 Ooltewah-Ringgold Road	Ooltewah	TN	37363
Cx2 Enterprises Inc.	423-218-0005	413 Boones Creek Road	Jonesborough	TN	37659
McMurray, Clarence & Charlene Cx2 Enterprises, Inc.	423-232-7627 (SNAP)	4307 N. Roan Street	Johnson City	TN	37615

Franchisee Name	Phone	Address	City	State	Zip
Zaretsky, Cindy Daisy Mae, Inc.	901-382-1125	6490 Memphis Arlington Rd	Bartlett	TN	38135
Fitness Design Enterprises, LLC	931-563-7653	1406 North Jackson St.	Tullahoma	TN	37388
Shankle, Chad Flywheel, LLC	731-885-8777	320 West Reelfoot Avenue	Union City	TN	38261
Hennessy, Jay and Jacquelyn	615-792-0400	232 Hutton Place Suite 146	Ashland City	TN	37015
JTF, Inc.	865-577-6633	7343 Chapman Highway	Knoxville	TN	37920
Makela Business Holdings, Inc.	865-357-2444	8651 Middlebrook Pike	Knoxville	TN	37923
Britton, Robert Performance Fitness, LLC	615-962-8671	2812 Old Fort Pkwy	Murfreesboro	TN	37128
Karkau, David	931-563-7653	1406 North Jackson St.	Tullahoma	TN	37388
Britton, Robert Performance Fitness, LLC	615-355-0336	830 Nissan Drive Suite 120	Smyrna	TN	37167
Shelby, Nick Lenz, Joedy	931-451-1199	2047 Wall Street	Spring Hill	TN	37174
Karkau, David Snap Fitness of Nashville, LLC	931-450-3430	1216 Hillsboro Blvd.	Manchester	TN	37355
McMurray, Clarence & Charlene Virtus Health Inc.	615-834-0088	413 Boones Creek Road	Jonesborough	TN	37659
WARE House of Knoxville, Inc. Shelby, Nick	865-693-4303	10673 Hardin Valley Rd.	Knoxville	TN	37932
Wilkinson Enterprises, LLC	615-353-7222	73 White Bridge Rd.	Nashville	TN	37205
Woolly 1 Concepts, LLC	615-288-2177	2037 North Mt. Juliet Road Suite 130	Mt. Juliet	TN	37122
Inde, Rebecca 2826 SFT 2007, LLC	972-576-0388	205 South Main St.	Red Oak	TX	75154
Beatty, John	210-912-7627	7715 Mainland Drive	San Antonio	TX	78250
Grigory, Larry	903-784-2575	2705 Clarksville St.	Paris	TX	75460
Armstrong, Wes and Wendi	903-455-7676	7215 Interstate 30	Greenville	TX	75402
Alexander, Zachary 5280 Fitness, LLC	972-548-7100	500 North Custer Road	McKinney	TX	75071
Dougharty, Joe and Laura	936-588-8955	15260 Highway 105 West	Montgomery	TX	77356
Alexander, Zachary 5280 Fitness, LLC	214-831-817	810 W. White Street	Anna	TX	75409
Stremel, Stephen and Kyle AAA Fitness, LLC	817-472-7477	6507 S. Cooper St.	Arlington	TX	76001
Garcia de la Cadena, Carlos	281-360-2198	2510 Mills Branch Drive	Kingwood	TX	77345
Bakley, Steve and Andrea	972-875-8785	108 S. McKinney	Ennis	TX	75119
McDougald, Darren & Tonya Black, Jordan	817-727-7627	7746 Hwy. 6	Missouri City	TX	77459
Brantley, Christian Punjani, Azim	936-228-4133	12501 Canyon Falls Blvd.	Willis	TX	77318
Campbell, Andrew	979-776-7627	4282 Boonville Rd	Bryan	TX	77802
Meyers, David & Doreen	512-828-0200	3720 Gattis School Road	Round Rock	TX	78664
Abel, Chris	817-472-7477	6507 S. Cooper St.	Arlington	TX	76001
Dunn, Matt	713-721-7627	9002 Chimney Rock	Houston	TX	77096
Greening, Jana	972-222-6551	540 Clay Mathis Rd	Mesquite	TX	75181
Ludlow, Ron & Cindy	817-993-1555	2122 Rufe Snow	Keller	TX	76248
Janke, Neal & Rebecca	512-398-2454	1710 South Colorado St.	Lockhart	TX	78644
Compton, Katherine	512-556-3300	405 Plum Street	Lampasas	TX	76650
Hill, Marty	972-572-9993	723 W Wheatland Rd	Duncanville	TX	75116
Oliver, Jeanne	512-267-7627	7708 Lohmans Ford Rd	Lago Vista	TX	78645
Christman, Eric	817-868-7627	2101 Harwood Road	Bedford	TX	76021
McCoy, Kimberly	903-670-3111	1395 East Tyler St.	Athens	TX	75751
Vinson, Wayne	979-543-2348	3703 FM 2765	El Campo	TX	77437
Dillow, Kent and Kim Corpus Christi Fitness Center, Ltd.	361-906-1900	6534 Yorktown Blvd Suite 104	Corpus Christi	TX	78414
Cowboy Fitness, LLC	936-755-3811	130 Colonel Etheredge Blvd.	Huntsville	TX	77340
Crosby Fitness Center Ltd.	832-838-4888	6500 N. FM 2100	Crosby	TX	77532
Dougharty Enterprises, LLC	936-588-8955	15260 Highway 105 West	Montgomery	TX	77356
Dunaway Initiatives LLC	682-888-1463	2800 Forestwood Drive, Suite 130	Arlington	TX	76006
G&H Fitness, LLC	903-784-2575	2705 Clarksville St.	Paris	TX	75460



Franchisee Name	Phone	Address	City	State	Zip
G2 Properties, LP	972-576-0388	205 South Main St.	Red Oak	TX	75154
Garcia de la Cadena, Carlos	936-825-3000	1610 North Lasalle Street	Navasota	TX	77868
Gardeca Fitness, LLC	281-360-2198	2510 Mills Branch Drive	Kingwood	TX	77345
Greenville Fitness, LLC	903-455-7676	7215 Interstate 30	Greenville	TX	75402
Grier, Justin	281-996-9800	3108 Dixie Farm Rd. Suite 112	Pearland	TX	77581
Glatstein, Randall	281-778-7620	4309 Sienna Parkway	Missouri City	TX	77459
Van Cleave, George	512-528-9800	605 State Park Road	Lockhart	TX	78644
Janke Fitness, LLC	398-2454	Hwy. 183	Leander	TX	78644
JMH Fitness Inc.	972-572-9993	723 W Wheatland Rd	Duncanville	TX	75116
Beatty, John	830-278-210	2310 E. Main Street	Uvalde	TX	78801
Kolob, LLC	912-7627	Drive	San Antonio	TX	78250
Launch Time Fitness, Inc.	817-727-7627	717 N. Holland Road	Mansfield	TX	76063
Laverkin LLC	956-263-1974	2546 Central Palm Drive	Rio Grande City	TX	78582
Smith, Samantha		1625 S. Loop 256 Suite C1395			75804
Smith, Stephen	903-221-9844	East Tyler St.	Athens	TX	75751
MACC Health and Fitness, LLC	670-3111	734 West Cameron Ave.	Palestine		75765
Vinson, Wayne	512-430-4446	Lohmans Ford Rd	Rockdale	TX	76545
Nicomi Fitness, LLC	713-721-7627	2002 Chimney Rock	Lago Vista	TX	75160
Beaman, Rick	512-275-6966	Suite 106	Houston	TX	77096
Phantom Fit, LLC	972-563-4700	2501 Ranch Road 620 South	Terrell	TX	75169
PSGR Fitness Inc.	888-903-873	4th St.	Lakeway	TX	78734
West, Rex	281-203-0088	8714 Spring Cypress Rd. Suite 100	Spring	TX	77379
R M Fitness, LLC	281-778-7620	4309 Sienna Parkway			77459
Sienna Fitness, LLC	936-228-4133	Canyon Falls Blvd.	Missouri City	TX	77459
Christian			Willis		75481
Simmons Fitness, LLC	979-319-7200	1802A North Velasco	Angleton	TX	77515
Rocheft	972-231-9888	4101 E. Renner Rd.	Richardson	TX	75082
Stremel, Stephen	512-275-6966	2501 Ranch Road 620 South	Lakeway	TX	78734
Stremel, Stephen and Kyle	972-905-5072	6911 Frankford Road Suite 700	Dallas	TX	75252
Dunaway, Thomas	832-595-2606	9825 S. Mason Road			76006
Tech Fit, Inc.	682-888-1463	Forestwood Drive, Suite 130	Richmond	TX	77406
Arlington					
Tibbs, Michael	903-638-2949	344 NW Loop 564	Mineola	TX	75773
Toquer, LLC	830-278-7627	2310 E. Main Street	Uvalde	TX	78801
V4 Enterprises Inc.	512-430-4446	734 West Cameron Ave.	Rockdale	TX	76567
Dillow, Kent and Kim	979-543-2348	3703 6500 N. FM 2400	Crosby	TX	77532
V4 Enterprises, Inc.	832-838-4888	2765	El Campo	TX	77532
Van Cleave, George	512-591-7899	651 North US Hwy. 183	Leander	TX	78641
Georgetown	528-9800	Williams Drive Suite 125	Georgetown	TX	78628
4 Fitness Layton, LLC	801-771-0070	2940 North Church Street	Layton	UT	84040
4 Fitness Ogden, LLC	801-737-1570	2331 North Washington Blvd.	North Ogden	UT	84414
Hennessy, Jeff	801-825-0191	2332 107 West Hwy 56	Cedar City	UT	84720
4 Fitness, LLC	435-867-4304	1700 South	Syracuse	UT	84775
Palmer, Paul	801-733-7627	3418 East 7800 South	Cottonwood Heights	UT	84121
Apollo Fitness, LLC	801-737-1570	428 E. 2600 N.	North Ogden	UT	84414
Gertge, Kenny	801-771-0070	2940 North Church Street	Layton	UT	84040
Gertge, Kenny					
Palmer, Paul	801-253-6553	1728 West 12600 South	Riverton	UT	84065
Apollo Riverton Fitness, LLC	435-867-1301	7759 South 4800 West	West Jordan	UT	84084
Lechner, Don	801-282-2766	2333 West Hwy 56	Cedar City	UT	84720
Fitness 24/7 03, LLC	801-825-0191	2107 West 1700 South	Syracuse	UT	84075
Gertge, Kenny					
Frome, Joy	801-392-5502	1479 East 5600 South	South Ogden	UT	84403
Joy Fitness, LLC					
Paul Palmer, Shawn Donavan and Josh Scribner	801-282-2766	7759 South 4800 West	West Jordan	UT	84084
Aaceli Securities and Investments, LLC	434-270-8875	340 Town Center Lane Suite 300	Charlottesville	VA	22911
AM Fit, LLC	434-381-6001	203 South Main Street	Amherst	VA	24521

Franchisee Name	Phone	Address	City	State	Zip
Andrews, Mark	540-278-1760	2445 East Washington Ave.	Vinton	VA	24179
Be Fit LLC	434-384-6600	4119 Boonsboro Rd	Lynchburg	VA	24503
Byers, Billi Jo BJ Fitness LLC	804-883-0190	16609 Mountain Rd.	Montpelier	VA	23192
Milletary, Annette	804-769-7627	7283 Richmond - Tappahannock Hwy.	Aylett	VA	23009
Rudy, David	540-785-6773	5749 Plank Road	Fredericksburg	VA	22407
Blazek, Jennifer Ramsey, Skip and Lori	540-261-1357/545-7627	2206 11 West 22nd Street, Jubal Early Dr.	Buena Vista Winchester	VA	24416/22601
Bencheikh, Ahmed	703-680-SNAP (7627)	6340 Hoadly Rd.	Manassas	VA	20112
Paul, Wayne	804-526-0060	3107 Boulevard	Colonial Heights	VA	23834
Michaels, Benjamin	804-272-SNAP (7627)	3008 Stony Point Rd.	Richmond	VA	23235
Jorgensen, Frank Bright Future Fitness, LLC	703-542-5502	42015 Village Center Plaza	Stone Ridge	VA	20105
Hamdani, Mike & Naney Dennis Litalien, Renee Hawthorne	757-525-2333/434-973-0587	12971 Jefferson Avenue 241 Zan Road	Newport News Charlottesville	VA	22901/23608
Milletary, Annette DLB Services, LLC	571-222-7627/804-932-8877	7641 Somerset Crossing Dr. 3215 Roek Creek Villa Drive Suite B	Gainesville Quinton	VA	20155/23441
Stevenson, Andy	540-439-8088	11083 Marsh Road	Bealeton	VA	22712
Hansen, Craig Fitness Enterprises, LLC	540-337-4FIT (4348)	2857 Stuarts Draft Hwy	Stuarts Draft	VA	24477
Great Day Fitness, LLC	540-439-8088	11083 Marsh Road	Bealeton	VA	22712
Hampton Fitness, LLC	757-288-3939	2088 Nickerson Blvd.	Hampton	VA	23663
Rudy, David Innova Sport & Fitness, LLC	703-299-9499/680-7627	6340 Hoadly Rd. 1315 King Street	Manassas Alexandria	VA	20112/22314
Benoit, Derreck & Alicia Mount Moriah Packaging, Inc.	571-222-SNAP (804-769-7627)	7283 Richmond - Tappahannock Hwy. 7641 Somerset Crossing Dr.	Aylett Gainesville	VA	23009/20155
Harris, Tommy Mount Moriah Packaging, Inc.	804-932-8877/434-384-6600	3215 Rock Creek Villa Drive Suite B 4119 Boonsboro Rd	Quinton Lynchburg	VA	24503/23141
MRom Fitness, LLC Blazek, Jennifer	540-545-7627/261-1357	611220 West Jubal Early Dr. 22nd Street	Winchester Buena Vista	VA	22601/24416
Muffin Top Fitness, LLC Johnston, Timothy and Kelly	757-229-7627	7500 Richmond Road, Suite D	Williamsburg	VA	23188
Kilgore, Joseph (PAUL)	434-381-6001	203 South Main Street	Amherst	VA	24521
Boyd, Sean Pans Out, LLC	434-973-0587/703-463-9886	13300 Franklin Farm 241 Zan Road	Herndon Charlottesville	VA	20171/22901
Jackson, Steven Parkway Group of VA, LLC	703-348-8507/757-288-3939	2088 Nickerson 1628 Belle View Blvd.	Alexandria Hampton	VA	23663/22307
Litalien, Dennis	757-525-2333	12971 Jefferson Avenue	Newport News	VA	23608
Andrews, Mark	540-278-1760	2445 East Washington Ave.	Vinton	VA	24179
Jackson, Steven Poquoson Fitness, LLC	757-659-0074	475-G Wythe Creek Road	Poquoson	VA	23662
Southern Group of Virginia, LLC	540-785-6773	5749 Plank Road	Fredericksburg	VA	22407
SS Boyds, LLC	703-463-9886	13300 Franklin Farm Road	Herndon	VA	20171
Rudy, David The Friday Group of Virginia, LLC	703-348-8507/299-9499	1628 Belle View Blvd. 1315 King Street	Alexandria	VA	22307/22314
Denton, Claire Vigor Inc.	802-888-3500/804-272-7627	3008 Stony Point Rd. 125 Munson Ave.	Richmond Morrisville	VT	23235/5664
WDP ENTERPRISES, LLC	804-526-0060	3107 Boulevard	Colonial Heights	VA	23834
Lockwood, Brad & Lori BT Fitness Inc	802-476-0460	1400 US Rt. 302 Suite#3	Berlin	VT	5641
BT Fitness Inc	802-881-0707	1127 North Ave.	Burlington	VT	5408
Watkins-Chase, Nola D and N Fitness, LLC	802-886-2407	363 River Street	Springfield	VT	5156
Lockwood, Brad & Lori Lotus Enterprises, LLC	802-881-0707/888-3500	1127 North 125 Munson Ave.	Burlington Morrisville	VT	5408/5661
Wickstrom, Galen	425-605-2241	11435 Avondale Rd NE	Redmond	WA	98052
Cheney Fitness, LLC Serio, Teresa	509-334/235-7627	2726 North 1st Street 745 N. Grand Ave.	Cheney Pullman	WA	99004/99163
Clarkston Fitness, LLC	509-254-5065	1620 13th Street	Clarkston	WA	99403
Petersen, Bradley and Linda Denmare Partners, Inc.	425-488-7030/360-377-1586	160015610 NE Roseway Lane Woodinville-Duvall Rd	Bremerton Woodinville	WA	98311/98072
Spencer, Jeff F&F Fitness, LLC	509-473-9477/534-1400	3717 South Grand Blvd. 4727 N	Spokane	WA	99203/992

Franchisee Name	Phone	Address	City	State	Zip
		<u>Division</u>			<u>07</u>
Jones, BryanFirst Source Fitness	425-778-7627 (SNAP)	505 5th Ave. S	Edmonds	WA	98020
Healthworks Fitness 2, LLC	360 930 6110	1016 N.E. Forest Rock Lane	Poulsbo	WA	98370
Gibson, AletaHealthworks Fitness, LLC	360-698-2628	20212400 NW Myhre Rd	Silverdale	WA	98383
J. Smith Fitness, LLC	509-893-8880	13514 E. 32nd Ave.	Spokane Valley	WA	99206
JG Group, LLC	425-605-2241	11435 Avondale Rd NE	Redmond	WA	98052
Mina P11, LLC	509-468-2862	8801 N. Indian Trail	Spokane	WA	99208
Muyanja, Bill	206-299-1597	4714 42nd Ave. SW	Seattle	WA	98116
Muyanja, BillNelson Fitness, LLC	509-468-2862350-8747	8801 N. Indian Trail2707 West Broadway	SpokaneMoses Lake	WA	9920898837
Northwest Investments Inc.	360-377-1586	1600 NE Roseway Lane	Bremerton	WA	98311
Starr, MattRobert and Katie Jo Cunningham	360-425-5900244-7042	3707 Ocean Beach Highway2705 Pacific Ave.	LongviewLong Beach	WA	9863298631
Johnson, Dennis	425-488-7030	15610 NE Woodinville-Duvall Rd	Woodinville	WA	98072
Serio, TeresaSpencer, Jeff	509-893-8880334-7627	745 N. Grand13514 E. 32nd Ave.	PullmanSpokane Valley	WA	9916399206
Freese, JohnSouth Hill Fitness, LLC	509-534-1400473-9477	4727 N-Division3717 South Grand Blvd.	Spokane	WA	9920799203
Vaughan, Doug and Jodilyn	360-225-1111	1307 Lewis River Rd.	Woodland	WA	98674
Starr, Matt	360-636-4321	1940 Cascade Way	Longview	WA	98632
Vaughan, Doug and Jodilyn	360-723-0100	2312 West Main Street	Battle Ground	WA	98604
Spencer, Jeff	(509) 235-SNAP	2726 North 1st Street	Cheney	WA	99004
Vaughan, Doug and Jodilyn	360 844 5584	3316 NE Third Avenue	Camas	WA	98607
Gibson, Aleta	360 930 6110	1016 N.E. Forest Rock Lane	Poulsbo	WA	98370
Spencer, Jeff	509-209-8288	14017 N. Newport Hwy.	Spokane	WA	99021
Vaughan, Doug	360-723-0100	2312 West Main Street	Battle Ground	WA	98604
Vaughan, Doug	360 844 5584	3316 NE Third Avenue	Camas	WA	98607
Vaughan, Doug and Jodilyn	360-225-1111	1307 Lewis River Rd.	Woodland	WA	98674
Starr, MattWabiz Enterprises, LLC	360-200-1160	218 Kelso Dr.	Kelso	WA	98626
Armstrong, RobertWabiz Enterprises, LLC	715360-425-93305900	1025 S. Main St.3707 Ocean Beach Highway	River FallsLongview	WI	5402298632
Skoglund, KarlWGS Fitness LLC	360-636-4321715-246-9105	1940 Cascade Way575 North Knowles Ave	LongviewNew Richmond	WI	9863254047
Becker, Ben	715-723-0602	475 Chippewa Mall Drive #305	Chippewa Falls	WI	54729
Brookins, Darcy	715-483-9765	135 South Washington Street	St. Croix Falls	WI	54024
Brookins, Darcy	715-294-4554	2388 State Road 35	Oscoda	WI	54020
Faust, Michael and Sonja	715-247-5657	403 Laser Drive	Somerset	WI	54025
Butler, Eric	715-434-7627	225 South Main Street	Rice Lake	WI	54868
Butler, Eric	715-377-7950	824 Carmichael Rd.	Hudson	WI	54016
Benson, Kirk	920-262-1688	1307 Memorial Dr.	Watertown	WI	53098
Schnacky, Chad	715-830-9999	3445 E. Hamilton Ave.	Eau Claire	WI	54701
Metcalf, Allen	715-934-2988	10342 Dyno Drive	Hayward	WI	54843
Butler, Eric	715-749-9019	147 Jennifer Rae Junction N	Roberts	WI	54023
Metcalf, Allen	715-682-0141	1804 E Lakeshore Drive	Ashland	WI	54806
Becker, _____MelanieAmbitious Endeavors, LLC	920-568-9610	825 Lexington Blvd. Ste 1	Ft. Atkinson	WI	53538
Benson, Kirk	920-674-3335	1507 South Ryan Ave.	Jefferson	WI	53549
Dennison, John	715-358-2244	1101 1st Ave.	Woodruff	WI	54568
Ware, Roy	715-268-4001 or TEXT				
Erickson, Brian	715-529-4343	930 Elden Ave.	Amery	WI	54001
Schnacky, Chad	608-269-1700	229 N. Black River St.	Sparta	WI	54656
Armstrong, Robert	715-232-9999	1320 Broadway St. N	Menomonie	WI	54751
Metcalf, Allen	715-273-3734	185 E Main #5	Ellsworth	WI	54011
Johnson, Gregg	715-453-5100	690 N 4th St.	Tomahawk	WI	54487
Johnson, Gregg	715-693-1440	445 Orbiting Drive Suite A	Mosinee	WI	54455
Acker, Gered and Andrea	715-241-8987	3910 Schofield Ave.	Weston	WI	54476
White, Jennifer and Mark	715-644-0197	611 South Broadway	Stanley	WI	54768
Swanson, Dan and Wendy	262-514-4455	790 Cornerstone Crossing	Waterford	WI	53185
	715-387-3488	705 S. Central Ave.	Marshfield	WI	54449



Franchisee Name	Phone	Address	City	State	Zip
Fink, James John	920-337-4880	573 Swan Road	De Pere	WI	54115
Metcalf, Allen	608-253-0023	515 Broadway	Wisconsin Dells	WI	53965
Becker, <del>_____</del> Melanie Ambitious Endeavors, LLC	262-560-0506	1085 Summit Ave.	Oconomowoc	WI	53066
Toelle, Michael	715-824-SNAP	167 North Main	Amherst	WI	54406
Butler, Eric	715-688-6888	570 10th Ave	Baldwin	WI	54002
Deppoleto, James	920-356-0600	111 E. Burnett Street	Beaver Dam	WI	53916
Rish, Charlie	262-862-2793	12033 Antioch Rd.	Trevor	WI	53179
Kohls, Robin and Dan	608-788-5880	2432 State Road	La Crosse	WI	54601
Mooneyham, Greg	920-922-7627	512 N. Rolling Meadows Dr.	Fond du Lac	WI	54937
Beaupre, Kari	715-262-5003	1435 North Acres Rd.	Prescott	WI	54021
Lewis, Debbie	651-246-0337	104 2nd Ave NW	Milwaukee	WI	54858
Mooneyham, Greg	262-367-1800	365 Cottonwood	Hartland	WI	53029
Mooneyham, Greg	608-839-1900	435 West Oak St.	Cottage Grove	WI	53527
Emery, Joseph	920-982-3131	318 Wolf River Plaza	New London	WI	54961
Piwowarezyk, Jim	414-422-0123	574 W 16853 Janesville Rd.	Muskego	WI	53150
Steinberger, Carrie	414-486-SNAP (7627)	2450 S. Kinnickinnie Ave.	Bay View	WI	53207
White, Jennifer and Mark	262-642-1645	2541 E. Main Street	East Troy	WI	53120
Emery, Joseph	262-644-7627	1026 E. Commerce Blvd.	Slinger	WI	53086
Ballard, Mike	608-437-7627	1855 Business Hwy 18/151	Mount Horeb	WI	53572
Mooneyham, Greg	262-767-1400	116 N Dodge Street	Burlington	WI	53105
McManus, Brian	262-677-FIT1 (3481)	N168W22710 Prairie View Lane	Jackson	WI	53037
Coy, Pamela	608-768-7348	1587 East Main Street	Reedsburg	WI	53959
Steinberger, Carrie	262-628-2800	N95W25901 County Rd Q	Colgate	WI	53017
Rosenstock, Carol	608-644-9159	934 Water Street	Sauk City	WI	53583
Piwowarezyk, Jim	414-354-3481 (FIT1)	4301 W. Bradley Rd	Brown Deer	WI	53223
Caselli, Brandon	262-691-1616	615 Ryan Street	Pewaukee	WI	53072
Fink, James John	920-632-7165	1301 Lawrence Drive	De Pere (West)	WI	54115
Boney, Pete	262-783-7627	W165 N5595 Creekwood Crossing	Menomonee Falls	WI	53051
Steinberger, Carrie	414-277-SNAP (7627)	256 E. Menomonee Street	Milwaukee	WI	53202
Emery, Joseph	920-766-3482	1810 Crooks Ave	Kaukauna	WI	54130
Becker, <del>_____</del> Melanie Ambitious Endeavors, LLC	262-473-7627	327 W. Center Street	Whitewater	WI	53190
Hrusovszky, John	715-524-4348	1056 East Green Bay Street	Shawano	WI	54166
Johnson, Gregg	715-298-2009	1405 Kenwood Drive	Wausau	WI	54401
Lagoon, Jim and Jackie	262-448-1283	406 North Lake	Twin Lakes	WI	53181
Gilpatrick, Sandy	414-483-1300	1020 W Layton Ave	Milwaukee	WI	53221
Navis, Mike	608-847-7060	610 McEvoy Street	Mauston	WI	53948
Mooneyham, Greg	414-259-1300	7226 W. North Ave.	Wauwatosa	WI	53213
Marcquenski, Bruce	262-925-1277	5506 75th St.	Kenosha	WI	53142
Purell, Mike & Rose	414-647-2147	2147 Miller Park Way	West Milwaukee	WI	53214
Paul, Alex & Richard	262-993-7627	12888 W. Bluemound Road	Elm Grove	WI	53122
Toelle, Michael	715-942-2300	815 West Fulton Street	Waupaca	WI	54981
Mooneyham, Greg	262-246-9500	N69W25055 Indian Grass Lane	Sussex	WI	53089
Lagoon, Jim and Jackie	(262) 884-7725	10009 Northwestern Ave	Franksville	WI	53126
Purell, Mike & Rose	262-242-7627	6071 W Mequon Rd	Mequon	WI	53092
Piwowarezyk, Jim	414-321-8800	7512 W. Oklahoma Ave.	West Allis	WI	53219
Mills, Stephen R.	262-586-5424	7353 256th Ave	Paddock Lake	WI	53168
Bloom, Amy	608-203-5170	6917 University Ave	Middleton	WI	53562
Erickson, Brian	608-786-2400	234 N. Leonard St	West Salem	WI	54669
Lerner, David and Christine	262-397-8726	1532 East Sumner Street	Hartford	WI	53027
Mooneyham, Greg	920-924-7627	976 E. Johnson St.	Fond du Lac	WI	54935
Steinberger, Carrie	262-502-7627 (SNAP)	N72W13400 Lund Ln.	Menomonee Falls	WI	53051
Becker, <del>_____</del> Melanie Ambitious Endeavors, LLC	262-723-SNAP 7627	10 W Evergreen Parkway	Elkhorn	WI	53121
Soto, Lisa & Michael ANS Fitness, Inc	414-425-6490 262-378-4314	10057158 S. Main 76th Street	Mukwonago Franklin	WI	53149 53132
B & C Fitness LLC	262-691-1616	615 Ryan Street	Pewaukee	WI	53072
B & S Fitness	608-203-5170	737 University Row	Madison	WI	53705
Bloom, Amy B & S Fitness, LLC	608-663-7627 (SNAP)	2045 Atwood Ave.	Madison	WI	53704
Mooneyham, Greg Balancing Life LLC	262-377-7053 514-4455	2263 Wisconsin Avenue 790 Cornerstone Crossing	Grafton Waterford	WI	53024 53185
Schweigert, Jen Balancing Life LLC	262-642-1645 608-348-5124	2541 E. Main Street 180 McGregor Plaza	East Troy Platteville	WI	53120 53848
BL Fitness, LLC	262-925-1277	5506 75th St.	Kenosha	WI	53142

Franchisee Name	Phone	Address	City	State	Zip
Paul, Alex & Richard Chippewa Falls Fitness LLC	<del>715-723-0602</del> <del>262-373-0848</del>	<del>475 Chippewa Mall</del> <del>Capitol Drive #305</del>	<del>Chippewa Falls</del> <del>Brookfield</del>	WI	<del>53045</del> <del>54729</del>
Maguire, Patrick	<del>608-413-0008</del>	<del>34 Glaciers Edge Square</del>	<del>Cross Plains</del>	WI	<del>53528</del>
Mooneyham, Greg	<del>262-968-2233</del>	<del>200 West Summit Ave.</del>	<del>Wales</del>	WI	<del>53183</del>
Schuster, Kara ClubHub America, LLC	<del>262-862-2793</del> <del>608-781-SNAP</del>	<del>1806 State</del> <del>12033 Antioch Rd.</del>	<del>Trevor</del> <del>La Crosse</del>	WI	<del>53179</del> <del>54604</del>
Steinberger, Carrie	<del>414-276-7627</del> (SNAP)	<del>1815 North Farwell Ave.</del>	<del>Milwaukee</del>	WI	<del>53202</del>
Soto, Lisa & Michael CR Fitness, LLC	<del>608-644-9159</del> <del>414-425-6490</del>	<del>7158 S. 76th</del> <del>934 Water Street</del>	<del>Franklin</del> <del>Sauk City</del>	WI	<del>53132</del> <del>53583</del>
Mooneyham, Greg	<del>715-358-2244</del> <del>262-558-6762</del>	<del>1575 Hwy. 51</del> <del>951 Main Street</del>	<del>Arbor Vitae</del> <del>Union Grove</del>	WI	<del>54568</del> <del>53182</del>
Deppoleto, James	262-347-4717	2450 N. Grandview Blvd.	Waukesha	WI	53188
DR Fit, LLC	608-788-5880	2432 State Road	La Crosse	WI	54601
Toelle, Michael E & E of Hudson, LLC	<del>715-223-8100</del> <del>434-7627</del>	<del>604 C North Division</del> <del>225 South Main Street</del>	<del>Colby</del> <del>Rice Lake</del>	WI	<del>54424</del> <del>54868</del>
E & E of Hudson, LLC	715-377-7950	824 Carmichael Rd.	Hudson	WI	54016
E & E of Hudson, LLC	715-749-9019	147 Jennifer Rae Junction N	Roberts	WI	54023
E & E of Hudson, LLC	715-688-6888	570 10th Ave	Baldwin	WI	54002
Ellsworth Snap Fitness	715-273-3734	185 E Main #5	Ellsworth	WI	54011
Erickson Fitness LLC	608-786-2400	234 N. Leonard St	West Salem	WI	54669
Erickson, Brian	608-269-1700	229 N. Black River St.	Sparta	WI	54656
Five Starz LLC	414-276-7627	1815 North Farwell Ave.	Milwaukee	WI	53202
Five Starz, LLC	414-486-7627	2450 S. Kinnickinnic Ave.	Bay View	WI	53207
Five Starz, LLC	262-628-2800	N95W25901 County Rd Q	Colgate	WI	53017
Five Starz, LLC	262-502-7627	N72W13400 Lund Ln.	Menomonee Falls	WI	53051
G&A Acker Enterprises	715-644-0197	611 South Broadway	Stanley	WI	54768
Hazelwood, LLC	262-242-7627	6071 W Mequon Rd	Mequon	WI	53092
Foster, Greg Hrusovszky, John	<del>715-524-4348</del> <del>608-669-8755</del>	<del>3651056 East Linnerud Drive</del> <del>Green Bay Street</del>	<del>Sun Prairie</del> <del>Shawano</del>	WI	<del>53590</del> <del>54166</del>
IRIE Investments, LLC	715-232-9999	1320 Broadway St. N	Menomonie	WI	54751
IRIE Investments, LLC	715-830-9999	3445 E. Hamilton Ave.	Eau Claire	WI	54701
Johnson Fitness, LLC	715-693-1440	445 Orbiting Drive Suite A	Mosinee	WI	54455
Johnson Fitness, LLC	715-241-8987	3910 Schofield Ave.	Weston	WI	54476
Johnson Fitness, LLC	715-298-2009	1405 Kenwood Drive	Wausau	WI	54401
JRG Fitness Operations, LLC	920-922-7627	512 N. Rolling Meadows Dr.	Fond du Lac	WI	54937
JRG Fitness Operations, LLC	262-367-1800	365 Cottonwood	Hartland	WI	53029
JRG Fitness Operations, LLC	262-767-1400	116 N Dodge Street	Burlington	WI	53105
JRG Fitness Operations, LLC	414-259-1300	7226 W. North Ave.	Wauwatosa	WI	53213
JRG Fitness Operations, LLC	262-246-9500	N69W25055 Indian Grass Lane	Sussex	WI	53089
JRG Fitness Operations, LLC	920-924-7627	976 E. Johnson St.	Fond du Lac	WI	54935
JRG Fitness Operations, LLC	262-377-7053	2263 Wisconsin Avenue	Grafton	WI	53024
JRG Fitness Operations, LLC	262-968-2233	200 West Summit Ave.	Wales	WI	53183
JRG Fitness Operations, LLC	262-558-6762	951 Main Street	Union Grove	WI	53182
LC Valentine Enterprises, LLC	414-483-1300	1020 W Layton Ave	Milwaukee	WI	53221
Lerner, David	262-397-8726	1532 East Sumner Street	Hartford	WI	53027
Rosenstock, Carol Liftworks, LLC	920-818-0744	4009 Egg Harbor	De Pere	WI	54235
Linkel, LLC	651-246-0337	104 2nd Ave NW	Milltown	WI	54858
Longboard Fitness LLC	920-632-7165	1301 Lawrence Drive	De Pere (West)	WI	54115

Franchisee Name	Phone	Address1Address	City	State	Zip
LS Fitness, LLC	262-378-4314	1005 S. Main Street	Mukwonago	WI	53149
Midwest Fitness Investors, LLC	715-254-9652	930 Elden Ave.	Amery	WI	54001
MJ Fitness, LLC	608-847-7060	610 McEvoy Street	Mauston	WI	53948
MSTF, LLC	715-247-5657	403 Laser Drive	Somerset	WI	54025
North Country Closeouts, Inc.	715-934-2988	10342 Dyno Drive	Hayward	WI	54843
North Country Closeouts, Inc.	715-682-0141	1804 E Lakeshore Drive	Ashland	WI	54806
North Country Closeouts, Inc.	715-453-5100	690 N 4th St.	Tomahawk	WI	54487
Paddock Lake Fitness LLC	262-586-5424	7353 256th Ave	Paddock Lake	WI	53168
Penrose, LLC	608-437-7627	1855 Business Hwy. 18	Mount Horeb	WI	53572
PJM Fit Enterprises, LLC	608-413-0008	34 Glaciers Edge Square	Cross Plains	WI	53528
QI 11, LLC	920-356-0600	111 E. Burnett Street	Beaver Dam	WI	53916
Ready Snap Go, LLC	715-262-5003	1435 North Acres Rd.	Prescott	WI	54021
Reagan Investments, LLC	414-422-0123	S74W16853 Janesville Rd.	Muskego	WI	53150
Reagan Investments, LLC	414-354-3481	4301 W. Bradley Rd	Brown Deer	WI	53223
Reagan Investments, LLC	414-321-8800	7512 W. Oklahoma Ave.	West Allis	WI	53219
Piwozarezyk, JimReagan Investments, LLC	608-655-8555	506 Plaza Drive	Marshall	WI	53559
Reedsburg Fitness, LLC	608-768-7348	1587 East Main Street	Reedsburg	WI	53959
River Falls Snap Fitness, Inc.	715-425-9330	1025 S. Main St.	River Falls	WI	54022
Schweigert Fitness, LLC	608-348-5121	180 McGregor Plaza	Platteville	WI	53818
Skogland, Karl	715-246-9105	575 North Knowles Ave	New Richmond	WI	54017
Snap Development, Inc.	262-644-7627	1026 E. Commerce Blvd.	Slinger	WI	53086
Snap Fitness Franksville, LLC	(262) 884-7725	10009 Northwestern Ave	Franksville	WI	53126
Snap Fitness of Twin Lakes, LLC	262-448-1283	406 North Lake	Twin Lakes	WI	53181
Strength Investments, LLC	920-262-1688	1307 Memorial Dr.	Watertown	WI	53098
Strength Investments, LLC	920-674-3335	1507 South Ryan Ave.	Jefferson	WI	53549
Sunny Day Enterprises, Inc.	608-781-7627	1806 State Rd. 16	La Crosse	WI	54601
Swanson Investments, LLC	715-387-3488	705 S. Central Ave.	Marshfield	WI	54449
The Company West, LLC	715-483-9765	135 South Washington Street	St. Croix Falls	WI	54024
The Company West, LLC	715-294-4554	2388 State Road 35	Osceola	WI	54020
Toelle Fitness, LLC	715-824-7627	167 North Main	Amherst	WI	54406
Toelle Fitness, LLC	715-942-2300	815 West Fulton Street	Waupaca	WI	54981
Wicked Investments Inc.	262-782-7627	12888 W. Bluemound Road	Elm Grove	WI	53122
Wicked Investments Inc.	262-373-0848	18905 W. Capitol Drive	Brookfield	WI	53045
Tarr, ErieWork It Out, LLC	304-760-5660	3440 Winfield Rd.	Winfield	WV	25213
Tarr, ErieWork It Out, LLC	304-840-0180	3554 Rt. 60 East	Barboursville	WV	25504
Malmstrom, JimLJM Fitness, LLC	307-673-0115	2240 Coffeen Ave.	Sheridan	WY	82801
Andrews, DanMy Way, Inc.	307-237-6878	2135 East 12th Street	Casper	WY	82601

## FRANCHISE AGREEMENT SIGNED BUT NOT OPEN AS OF DECEMBER 31, 20122013

Note: For franchisees with multiple agreements, the number of agreements signed but not open are listed following the last name.

Franchisee Name	FranchiseeAddress1Address	CityFranchiseeCity	FranchiseeStateState	PhoneWorkPhone
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Franchisee Name	FranchiseeAddress1Address	CityFranchiseeCity	FranchiseeStateState	PhoneWorkPhone
Buttram, Greg and Robin	1424 County Road 28	Crossville	AL	256-659-6462
<del>Faucette, George (2)</del> Krupka, Jack	<del>4523 Elmwood Drive</del> 109 Woodloun Lane	<del>Rogers</del> Fayetteville	AR	479- <del>510-4548</del> 531-282
Rahn, Bill	16724 Lone Pine Road	North Little Rock	AR	501-993-6682
<del>Conrad, Keith</del>	<del>1677 Constable Street</del>	<del>Prescott</del>	<del>AZ</del>	<del>612-940-8207</del>
Duarte, Trish and Chase	972 N. Davidson Canyon Rd.	Vail	AZ	520-762-3292
Hubbard, Kristi and Warren	5685 E Cullum Lane	Flagstaff	AZ	928-522-0220
<del>Shaubach, Joshua</del> Smith, Tyrone (2)	<del>42225842</del> East Paseo Dorado39th Way	<del>Yuma</del> Tucson	AZ	<del>520-250-3000</del> 928-502-2082
Walker, JacobJacon	3218 Lakeside Village Drive	Prescott	AZ	928-771-2155
<del>Acker, David</del> Bennett, Brian (3)	<del>6022 Alisal</del> 988 Fulton St.	<del>San Francisco</del> Pleasanton	CA	<del>860-490-3196</del> 925-423-3889
Byron, Steve	2216 Nelson Ave.	Redondo Beach	CA	310-542-8171
Chatman, Reginald (2)	705 Rainsong Lane	Redwood City	CA	-
<del>Cotton, Rod</del> Jansson, Susan (4)	<del>440 N. Winchester Blvd. #624</del> 368 Ridgcrest Place	<del>Eureka</del> Santa Clara	CA	<del>707-822-3488</del> 408-374-1196
Kearns, Jeff (3)	2262 Yosemite Drive	Palm Springs	CA	760-218-5977
Lackman, Melissa (3)	28230 Canyon Crest Drive	Santa Clarita	CA	-
Mason, Dana	36181 Malta Place47315 Galindo Drive	Fremont	CA	510-552-0404
<del>Monahan, Mike (2)</del>	<del>496 Monti Circle</del>	<del>Pleasant Hill</del>	<del>CA</del>	<del>work 650-280-3924</del>
Punj, Vishal (2)	609 Vasona Court	Los Gatos	CA	-
Ziauddin, MansoorMonsoor	159 Avalon Ct.	San Ramon	CA	925-829-9750
Kempfer, Kurt (3)	10171 Bluffmont Drive	Longtree	CO	303-799-2688
St. Clair, Brad (2)	5813 South Gray Street	Littleton	CO	work 720-241-5177
Clifford, Bill	16 Woodcrest Lane	Danbury	CT	203-470-8797
<del>Horowitz, Bill (3)</del>	<del>2321 Bigelow Commons</del>	<del>Enfield</del>	<del>CT</del>	<del>work 860-543-9300</del>
Livingston, Josh (2)	4 Mclean Street	Simsbury	CT	8605814014860-581-4014
<del>Mitchell, Maurice &amp; Norma (2)</del>	<del>1 Driftwood Lane</del>	<del>Norwalk</del>	<del>CT</del>	<del>203-846-4746</del>
Taylor, Jeff	86 Shadowood Road	Fairfield	CT	203-257-8622
Gates, Eric	11 Tuckerman Street NW	Washington	DC	240-595-3140
<del>Bethmann, Scott (2)</del> Dao, Daniel (3)	<del>13070 Wexford Hollow Road North</del> Calle B, Res. Plaza Alameda, Apt. 11-A	<del>Jacksonville</del> Caracas	FL	904-992-1797
<del>Drost, Bill (6)</del> Fiorvante, Kate	<del>500 South Florida Ave.</del> 1027 Arezzo Circle	<del>Boynton Beach</del> Lakeland	FL	<del>954-789-9322</del> 863-644-4581 (work)
Knorr, Michael (3)	4010 Peppertree Drive	Weston	FL	954-385-3049
Lamazares, Manny	7441 Wayne Ave. #10E	Miami Beach	FL	305-401-3012
Levy, Jordan (2)	3641 W. Kennedy Blvd	Tampa	FL	813-245-4611
<del>Mansfield, Rick (2)</del>	<del>2975 Wentworth Way</del>	<del>Tarpon Springs</del>	<del>FL</del>	<del>727-871-1141</del>
Payne, Seth (2)	1765 Beach Ave.	Atlantic Beach	FL	904-309-1270
<del>Postell, Johnny</del>	<del>1020 NW 103rd Avenue</del>	<del>Plantation</del>	<del>FL</del>	<del>954-236-0157</del>
<del>Rousseau, Marilyn</del>	<del>2461 SW 131 Terrace</del>	<del>Davie</del>	<del>FL</del>	<del>(954) 424-0405</del>
Schmidt, Robert (2)	16742 Cordova Court	Delray Beach	FL	786-395-2207
Sikes, Barry	3547 53rd Ave West #118	Bradenton	FL	912-401-5267
<del>Zavala, Sergio &amp; Francesca</del>	<del>11446 Weston Course Loop</del>	<del>Riverview</del>	<del>FL</del>	<del>978-223-0656</del>
<del>Barber, Fred (2)</del>	<del>825 Swain Road</del>	<del>Commerce</del>	<del>GA</del>	<del>706-367-2220</del>
Bohlke, W. Scott and Jennifer (2)	2620 Clito Rd	Statesboro	GA	-
McAdams, Steve and Charlotte (2)	105 Savannah Court	Fayetteville	GA	770-460-5166
<del>Moffitt, Maria (2)</del>	<del>3213 Collier Gate Court</del>	<del>Smyrna</del>	<del>Ga</del>	<del>(770) 431-9311</del>
<del>Askelsen, Chad &amp; Suzanne</del>	<del>57283 West 4th Street</del>	<del>Cambridge</del>	<del>IA</del>	<del>515-689-6370</del>
<del>Cullins</del> Culluns, Matt and Lisa	1513 NE Michael Drive	Ankeny	IA	515-480-2597
<del>Dolan, Dan (4)</del>	<del>1717 Pleasant Prairie Road</del>	<del>Muscatine</del>	<del>IA</del>	<del>563-570-1460</del>
Foster, Adam	1711 Boyson Road	Hiawatha	IA	319-654-6470

Franchisee Name	FranchiseeAddress1Address	CityFranchiseeCity	FranchiseeStateState	PhoneWorkPhone
<del>Puk, Kevin (2)</del> Maduro, Christina	8321 Talbot1251 Scenic Place	JohnstonEllston	IA	319-804-1128515-204444
Velie, Suzanne & Jake	4710 148th St.	Urbandale	IA	515-559-7140
<del>Nagrone, Terri and Kevin (3)</del> Althaus, Katrina (2)	<del>575 West Seldovia Street</del> 204 S. Barrington Drive	<del>HamptonKuna</del>	<del>IDIL</del>	<del>208-884-1642</del> 309-792559
<del>Anker, Brad (3)</del> Dolan, Dan (4)	<del>1717 Pleasant Prairie Road</del> 4234 Countryview	<del>MuscatingByron</del>	IL	563-570-1460
<del>Hahn, Bill (7)</del> Graf, Renee	3260 Northfield320 Foxford Drive	CarySpringfield	IL	312-485-7475217-526902
<del>Ferron, Kenneth</del>	7143 Morello Lane	Noblesville	IN	765-438-8615
Griffith, Morgan	5525 Bursot Road	Vevay	IN	812-427-2809
Turner, <del>Matthew</del> Mathew	11912 Kelso Dr Unit 2	Zionsville	IN	317-403-0049
<del>Bennett, Paul (2)</del>	<del>2113 A E 151st Street</del>	<del>Olathe</del>	<del>KS</del>	<del>913-393-1412</del>
Cowan, Ben	2329 The Woods Lane	Lexington	KY	(859)-268-4503
Howard, Don-(3)	212 Forest Trail	Nicholasville	KY	859-223-8164
Ohler, David and Tamara	129 Wintergreen Drive	Radcliff	KY	270-272-6358
Walker, Steve	4509 Verbena Park	Lexington	KY	859-264-8424
<del>Bergeron, Louis</del> "Chad"	38205 East Lakeview Dr.	Prairieville	LA	225-715-9037
<del>Bossier, Todd</del>	6304 East Castledale	Greenwell Springs	LA	225-262-5539
Caldwell, Scott	4141 Jackson Street #115	Alexandria	LA	318-547-5690
Dupuy, Mike	14491 Whispering Oaks	Gonzales	<del>LaLA</del>	(225)-622-1680
Hilton, David	1118 Breckenridge Drive	Slidell	LA	504-697-5504
<del>Mallett, Joseph</del>	369 Janmar Street	Denham Springs	LA	225-665-0272
Ronquille, Blane and Rebecca	113 East X Street	Belle Chasse	LA	504-398-1029
<del>Vasquez, Michelle</del>	217 Creek Stone Drive	West Monroe	LA	
Crowley, David	118 Pine Ridge Road	Reading	MA	978-771-5311
Knuth, Jason	37 Russell Sreet #2	Plymouth	MA	617-585-4476
Burkinshaw, Neil	13709 Charity Court	Germantown	MD	301-972-0725
<del>Stone, Ron (2)</del>	8032 Hillsborough Road	Ellicott City	MD	443-983-8006
<del>Baskins, Alan (3)</del>	30500 Northwestern Hwy	Farmington Hills	MI	2488552100
<del>Brennan, Maris &amp; R.J.</del>	7840 Vista Ave.	Grand Ledge	MI	517-490-9269
<del>Cagle, Stephanie &amp; Budd (2)</del>	34254 Aspen Park Drive	Chesterfield	MI	
Cook, Ryan (2)	2608 Shagbark	Grand Rapids	MI	(616)-822-2049
<del>Duffield, Matthew (3)</del>	2170 Cass Lake Road	Keego Harbor	MI	248-630-7878
Garcia, Joe	1462 Ivywood	Okemos	MI	517-381-0397
Hewitt, Sue (2)	1484 Saddle Lane	Rochester Hills	MI	248-505-7731
<del>Hg, Curt &amp; Bernadette</del>	8473 Deerwood	Clarkston Road	MI	248-721-3939
Konye, Dave	1441 Lakeside Drive	Howell	MI	248-939-0030
Liekhus, Cynthia	670 Whitney Drive	Rochester Hills	MI	248-608-1413
Pasma, Mark (43)	2740 Barry Street2020 Chicago Drive	JenisonHudsonville	MI	616-669-1613
<del>Paterson, Andrew</del>	1925 Cambridge	Ann Arbor	MI	734-516-8550
<del>Rochon, Keith &amp; Carol</del>	6436 Sunset Dr.	South Lyon	MI	248-486-3586
<del>Shields, Randy</del>	5305 Old Hickory Dr.	Brighton	MI	(734) 426-2655
<del>Sietsema, Carl &amp; Pam (3)</del>	4624 Canterbury Drive	Hudsonville	MI	616-669-5853
<del>Sietsema, Ryan (2)</del>	4517 Bridlewood Drive	Hudsonville	MI	616-896-8706
Slagh, Douglas	431-142nd Ave	Holland	MI	616-786-3677893-19
<del>Wizenberg, Erie</del>	522 E. Breckenridge	Ferdale	MI	702-443-8716
<del>Charles, Vince</del> Borden, Howie	56 South 33rd2560 28th Ave #236SW	CambridgeSt. Cloud	MN	952-292-1119612-8103070
Clark, Christina-(3)	74540 213th street	Dassel	MN	(320)-296-5100

Franchisee Name	Franchisee Address	City	Franchisee State	Phone
Cowan, Ben M.	15233 Wild Wings Court	Minnetonka	MN	612-237-4681
Erie, Wendy and Bill (2)	PO Box 185	Cross Lake	MN	218-692-2300
Heinen, Paul (2)	21850 Brook Road	Elk River	MN	
Hookom, Derek	9501 Highview Drive	Eden Prairie	MN	952-769-7042
Nadeau, Larry	161 4th Ave.	Foley	MN	320-968-6897
Schultz, Steve	8778 Merritt Place	Mountain Iron	MN	218-290-9967
Veenis, Kyle	10920 Goodhue St. NE Unit B	Blaine	MN	651-398-6866
Atwood, Lynda	1136 South Elmwood	Springfield	MO	417-890-2681
Parrott, Matthew	2012 NW 59th CT	Kansas City	MO	(785) 423-0127
Powell, Philip	4550 Goldfinch Road	Joplin	MO	417-850-3504
Bounds, Brad	31 Tommy Drive	Philldelphia	MS	601-483-9111
Carr, Michael	1015 Hopson-Pixley Rd	Clarksdale	MS	(662)-902-8662
Fiello, Anise (2)	13124 Lake Florence Road	Gulfport	MS	
Gibson, L.H.	1062 Kori Lane	Summit	MS	601-276-2651
Goldman, Dennis and Edna	1500 Roebuck	Meredian	MS	601-632-1151
Herbert, Dave	107 Dogwood Way	Pearl	MS	(601)-469-9215
Nadeau, Marc & Christa (3)	223 Swan River Road	Bigfork	MT	406-837-3930
Abbott, Jeffrey	591 Nickel Creek Ct.	Kernersville	NC	336-497-4290
Decker, Mark (2)	200 Vatersay Drive	Apex	NC	919-656-0942
Drawdy, Tripp & Elyse	8009 Red Oaks Trail	Waxhaw	NC	704-243-2425
Durst, Eric	1260 5th st	hickory	NC	608-206-3962
Holcomb, Joseph (3)	609 Rodney Bay Crossing	Wake Forrest	NC	919-341-8587
Simpson, Scott (2)	301 Winrow Drive	Jamestown	NC	336-307-3701
Mullins, John	203 Weathers St	Chapel Hill	NC	919-452-7432
Kennelly, JD (3)	132 Rolling Hills Circle	Grand Forks	ND	218-779-1141
Torres, Nadir	547 South 7th Street Suite 208	Bismark	ND	701-220-1147
Bargen, Dennis	2359 26th -Ave, Box 206	Columbus	NE	402-563-4144
Ercolano, Chuck	26 Glenwood Mountain Road	Sussex	NJ	973-875-7363
McAtee, Shari	179 Clinton Road	Newfoundland	NJ	917-612-8235
Goldstein, Gail	20 Redcoat Drive	East Brunswick	NJ	732-238-9922
Hill, Carla (3)	412 East 2004 Panada Drive SW	Los Lunas	NJ	505-507-7171
Kedash, John	3 Valley View Ct	Los Lunas	NJ	505-620-6499
Renke, William	59 Notch Road	Oak Ridge	NJ	2127
Simpson, Graham	The Ageless Zone	Reno	NV	702-677-2705
Chapin, Norman	699 Mountain Ave.	Purling	NY	518-378-5587
DiGiuseppe, Gary (3)	4 Susan Court	Holtsville	NY	631-447-6028
Graham, Lorna (2)	6 Flintlock Ridge Road	Katonah	NY	914-826-6100
Kelley, Bridget	6945 Chestnut Ridge Road	Orchard Park	NY	716-316-2590
Rafiq, Atif	2 Ryan Lane	Miller Place	NY	631-928-5577
Saladino, Don	88 Greenwich Street Apt. #609	NY	NY	212-334-9537
Schwartz, Stephen (76)	5941 745 Broadway, Floor 17, Suite 4406	New York	NY	914-596-2468
Spallino, Tom & Doreen	34 Horse Hollow Court	Locust Valley	NY	516-761-5084
Stillwachs, Eric	555 W. 59th Street, Apt. 21A	Tarrytown	NY	917-670-3083
Terry, Jim & Anne	6 Garden Lane	Horseheads	NY	607-739-9869
Anderson, Joe	1772 Tucker Trail	Lewis Center	OH	419-903-0577
Beach, Mark and Beth (2)	1503 S. Coy Rd	Oregon	OH	419-343-9319
Huston, Robert & Amy	5682 Young Road	Hudson	OH	330-653-8687
McCoy, Patrick (3)	7760 Oxgate Ct.	Hudson	OH	330-998-5410



Franchisee Name	FranchiseeAddress1Address	CityFranchiseeCity	FranchiseeStateState	PhoneWorkPhone
McGavin, Paul (2)	2904 Plumbrook Drive	Maumee	OH	330-289-0875
<del>McIntire, Mark (2)</del>	<del>1221 Ankeney Road</del>	<del>Xenia</del>	<del>OH</del>	<del>937-545-8684</del>
<del>Staiger, Jack and Gayle</del>	<del>6410 Wilderness Trail</del>	<del>West Chester</del>	<del>OH</del>	<del>513-477-2471</del>
<del>Barrett, Matt</del>	<del>1234 NW Elliott Court</del>	<del>Bend</del>	<del>OR</del>	<del>541-948-5212</del>
<del>Muir, Randy</del>	<del>4568 Garden Court SE</del>	<del>Salem</del>	<del>OR</del>	<del>503-559-6207</del>
Muyanja, Bill	4401 NW Boxwood Dr.28202 225th Place SE	CorvallisMaple Valley	OR	541-760-1416
<del>Pearce, Justin</del>	<del>301 Northwest Gilliam Ave.</del>	<del>Pendleton</del>	<del>OR</del>	
<del>Starr, Matt</del>	<del>2410 SE 121st Ave. Suite 202</del>	<del>Portland</del>	<del>OR</del>	<del>(612) 991-6288</del>
Vauters, Greg (4)	1745 Elk Circle SW	Albany	OR	<del>(541) 981-9210</del>
<del>Davis, Jason</del>	<del>2301 Ivyside Drive</del>	<del>Altoona</del>	<del>PA</del>	<del>814-327-8929</del>
Dowd, Chris	26 Mill Road	Havertown	PA	908-303-7760
Foster, Linda	3235 10th Street	Bethlehem Township	PA	610-814-2598
<del>Frazier, DennisGery, Brian (2)</del>	<del>3860 Fountain Circle301 Byberry Road</del>	<del>PhiladelphiaFountainville</del>	<del>PA</del>	<del>215-534-2335697-14</del>
<del>Kartesz, Stephanie (2)</del>	<del>1403 Kuntz Rd.</del>	<del>Erie</del>	<del>PA</del>	<del>814-882-9049</del>
<del>Maley, Anthony</del>	<del>32 North Chestnut Dr.</del>	<del>Drums</del>	<del>PA</del>	<del>570-574-4158</del>
McCormick, Ian (3)	7 Ayer Court	West Chester	PA	601-457-2076
<del>Stockton, John (3)</del>	<del>222 Pebble Beach Drive</del>	<del>Linfield</del>	<del>PA</del>	<del>610-495-1939</del>
Treger, Douglas (2)	5202 Bailey Crt Wst	Doylestown	PA	215-794-1830
<del>Edgington, Kipp</del>	<del>3004 Marshall Blvd.</del>	<del>Sullivan's Island</del>	<del>SC</del>	<del>614-638-7188</del>
Edmunds, Timothy (2)	401 Grand National Ln112 Ashewicke Drive	ColumbiaElgin	SC	312-848-9696
Cosgrove, John	9830 Mountaineer Drive	Ooltewah	TN	423-485-1149
<del>Creagan, Mike</del>	<del>701 Everhart Drive NW</del>	<del>Cleveland</del>	<del>TN</del>	<del>423-479-3446</del>
<del>Hancock Jr, William (2)and Elizabeth</del>	<del>221 Harpeth Wood Drive</del>	<del>Nashville</del>	<del>TN</del>	<del>615-970-8458288-21</del>
<del>Hernandez, Clark and Trisha</del>	<del>129 South Ridge Drive</del>	<del>Blountville</del>	<del>TN</del>	<del>423-274-9800</del>
Pinson, Teresa and Keith	PO Box 3616	Cookeville	TN	931-520-4426
Walters, Wade and Karen	1116 Kirkwood Drive	Franklin	TN	615-794-5836
<del>Abel, Chris (2)</del>	<del>341 Rolling Oaks Ridge</del>	<del>Cedar Hills</del>	<del>TX</del>	<del>817-462-4078</del>
<del>Andrulis, Joe (3)</del>	<del>3804 Acapulco Court</del>	<del>Irving</del>	<del>TX</del>	<del>972-650-1637</del>
Beaman, Rick (2)	11600 Hiram Rd	Wills Point	TX	214-244-2515972-5639961
<del>Beatty, John</del>	<del>5505 Grissom Suite 114</del>	<del>San Antonio</del>	<del>TX</del>	<del>210-523-5522</del>
Brantley, Christian	7041 Kingston Cove Lane	Willis	TX	936-228-4133325-4349365
De Leon Jr., Jaime	3748 Charles Ave.	Groves	TX	409-549-3696
<del>Dougharty, Joe and Laura</del>	<del>6006 Rosewood Drive</del>	<del>Orange</del>	<del>TX</del>	<del>409-201-9367</del>
<del>Dunn, Matt</del>	<del>8931 Helena Bend</del>	<del>Missouri City</del>	<del>TX</del>	<del>713-398-4260</del>
<del>Grandjean, Mike &amp; Kelly (3)</del>	<del>3503 Pemberton Drive</del>	<del>Pearland</del>	<del>TX</del>	<del>480-313-4983</del>
<del>Hill, Marty (2)</del>	<del>1965 Pin Oak Lane</del>	<del>Lancaster</del>	<del>TX</del>	<del>972-218-5418</del>
<del>Janke, Neal &amp; Rebecca (2)</del>	<del>1005 Live Oak Drive</del>	<del>Manhaca</del>	<del>TX</del>	<del>512-282-6346</del>
<del>Johnson, Leander</del>	<del>851 Lake Carolyn Pkw</del>	<del>Irving</del>	<del>TX</del>	<del>(817) 680-7886</del>
<del>Ludlow, Ron &amp; Cindy (2)Garcia de la Cadena, Carlos</del>	<del>1608 Summer Lane14 Regan Court</del>	<del>The WoodlandsReanoke</del>	<del>TX</del>	<del>work 817-431-3123610-1695</del>
Martinez, Richard "Rick" (3)	1306 Bobbins Ridge	San Antonio	TX	210-279-9259
<del>Oliver, Jeanne (2)</del>	<del>18001 Rosebud Place</del>	<del>Round Rock</del>	<del>TX</del>	<del>512-671-3979</del>
<del>Oliver, Jeanne</del>	<del>18001 Rosebud Place</del>	<del>Round Rock</del>	<del>TX</del>	<del>512-671-3979</del>
<del>Payne, Ross</del>	<del>6235 Love Dr.</del>	<del>Irving</del>	<del>TX</del>	<del>214-803-0485</del>
<del>Vinson, Wayne</del>	<del>3318 Bruner Mill Rd</del>	<del>Columbus</del>	<del>TX</del>	<del>(979) 543-2348</del>
<del>Mabey, T. Dee (3)</del>	<del>228 East 7845 South</del>	<del>Sandy</del>	<del>UT</del>	<del>801-362-9818</del>
Palmer, Paul	1567 Prospect Lane	Alpine	UT	702-250-7975
<del>BahrBarhr, Robert</del>	<del>17932 New Market Rd.</del>	<del>Timberville</del>	<del>VA</del>	<del>540-383-9369</del>
Blazek, Jennifer (2)	117 Carnmore Drive	Winchester	VA	540-532-0392

Franchisee Name	Franchisee Address	City	Franchisee State	Phone
Boyd, Sean	3274 Tayloe Ct	Oak Hill	VA	703-401-5082
Hansen, Craig	4036 Susan Drive	Earlsville	VA	703-598-1927
Jackson, Steven	200 N. Willard Ave.	Hampton	VA	757-288-3939
Leconte, Brice (2)	12020 Sunrise Valley Drive	Reston	VA	-
Rudy, David	46 Wolfe Street	Alexandria	VA	703-627-6510
Lockwood, Brad & Lori	103 Pond View Circle	Berlin	VT	205-563-5098
Ford, Cynthia (3)	3224 E. 42nd Ave.	Spokane	WA	720-394-4177
Freese, John	1504 Rosena Ct.	Kennewick	WA	509-628-1590
Tully, James Roby, Dustin and Michelle (3)	5615 SE Seenie Lane #100	Vancouver	WA	312-961-1829
Zurfluh, Jim & Trina (2) Spencer, Jeff (3)	8208 48th St. Ct. W11113 E. Gertrude Dr.	Spokane	WA	253-666-8317
Brecher, Scott & Laurel	684 Pine Timber Lane	Hudson	WI	715-381-3090
Fink, James John	1128 Valley View Road	Green Bay	WI	920-405-0909
Kohls, Robin and Dan	905 North St	Sparta	WI	608-633-2346
Paul, Alex & Richard (2)	215 W Maple Street, Unit 312	Milwaukee	WI	262-373-0848
Swieczkowski, Mark	1593 Rustic Way	Green Bay	WI	920-360-2568
Jorgensen, Frank (3)	200 Greenbrier Road PO Box 460	Summersville	WV	304-872-3000
Tarr, Eric (2)	530 Span Oaks Drive	Milton	WV	304-757-2500
Andrews, Dan (2)	3851 South Oak Street	Casper	WY	307-267-6925
Jorgenson, Frank (3)	Bright Enterprises, 200 Greenbrier Road	Summersville	WV	304-872-3032
Tarr, Eric and Natalie (2)	530 Span Oaks Drive	Milton	WV	304-757-2500

**FRANCHISEES WHO LEFT THE SYSTEM  
DURING THE 12-MONTH PERIOD ENDING DECEMBER 31, 2012**

NOTE: If you buy this franchise, your contact information may be disclosed to other potential franchisees of Snap Fitness when you leave the Snap Fitness system.

**Franchisees no longer in the system:**

Franchisee Name	Franchisee City	Franchisee State	Phone
Boyd, Sean	Pell City	AL	205-884-2370
Bryniarski, William (Bill) Duarte, Trish and Chase	Vail	AZ	520-762-3292
Smith, Tyrone Monson, Jordan	Tucson	AZ	520-887-2632
Wadsworth, Fred and Kelly	Cave Creek	AZ	480-595-0092
Augusto, Paul Family, Inc.	Fairfield	CA	707-592-6505
Bennett, Brian Seogna, Mike	Pleasanton	CA	925-425-3889
Woodard, Nathan Byron, Steve	Redondo Beach	CA	310-542-8171
Jackson, Ben and Melody	Selma	CA	559-891-7770
Jackson, Ben and Melody	Selma	CA	559-891-7770
Kearns, Jeff	Palm Springs	CA	760-218-5977
Lackman, Melissa	Santa Clarita	CA	-
Punj, Vishal	Los Gatos	CA	650-619-4836
Andrich, Michael Cochran, Kevin	Littleton	CO	303-932-9563
Diebel, Brian Andrich, Michael	Littleton	CO	303-932-9563
Kauffman, Carol Brennan, Jim	Castle Rock	CO	303-717-2964
Kempfer, Kurt	Longtree	CO	303-799-2688
St. Clair, Brad	Littleton	CO	720-241-5177
Horowitz, Bill	Enfield	CT	860-543-9300
Mitchell, Maurice and Norma	Norwalk	CT	203-846-4746
Bethmann Bethman, Scott	Jacksonville	FL	904-992-1797
Drost, Bill	Lakeland	FL	863-647-1581
Lamazarez, Manny	Miami Beach	FL	305-401-3012
Mansfield, Rick	Tarpon Springs	FL	727-871-1141
Postell, Johnny	Plantation	FL	954-236-0157



Franchisee Name	Franchisee City	Franchisee State	Phone
Miller, Greg	Riverview	FL	978-223-0656
Zavala, Sergio and Kaye	Redington Beach	FL	727-251-2990
Francisca			
Ruiz, Alfonso	Statesboro	GA	407-432-9219
Doc Scott, LLC	Davenport	GA	
Wilson, Thomas	Hilton	GA	706-576-5237
Joyful Enterprises, LLC	Bradenton	GA	941-756-7977
Hammer, Eric	Safety Harbor	FL	727-330-7570
Finglass, Larry	Decatur	GA	404-633-7707
K&I Fitness, LLC	Stone Mountain	GA	770-469-1811
Moffit, Maria	Smyrna	GA	770-431-9311
Grant, Cathy	Fayetteville	GA	770-716-0377
Outland, Rolando	Alpharetta	GA	235-3269
Holland, Tony	Commerce	GA	706-367-2220
Windhaven Fitness Jefferson LLC	Hartsfield	GA	229-941-2680
Dowie, Justin	Cedar Rapids	IA	706-367-2220
Windhaven Fitness Jefferson LLC	Commerce	IA	515-779-8634
Milestone, Dirk	Dubuque	IA	608-574-2947
Midwest Music and Inc.	Spencer	IA	712-203-9000
Stokely, Scott	Kuna	IA	515-465-3571
Nagrone, Terri and Elaine	Perry	IA	208-884-1642
Kevin			
Whiteaker, Connie	Cedar Rapids	IA	319-862-0267
Ye, Andy & Jennifer	Sherrard	IL	(563)370-7627
Ye, Andy & Jennifer	Sherrard	IL	(563)370-7627
Lopez, John and Jean	Cherry Valley	IL	815-332-7711
Professional Fitness Advantage IV, Inc.			
Polinski, Don	Roselle	IL	630-894-2606
Crawford, Shawn	Noblesville	IN	765-438-8615
Ferron, Kenneth	Brownsburg	IN	317-840-8757
awford, Shawn	Brownsburg	IN	317-840-8757
awford, Shawn	Brownsburg	IN	317-840-8757
awford, Shawn	Brownsburg	IN	317-840-8757
awford, Shawn	Brownsburg	IN	317-840-8757
iffith, Morgan	Wey	IN	812-427-2809
alden, Eric	Pendleton	IN	
ngs, Tammy	Shawnee	KS	913-745-4113
Kerth, Chris	Overland Park	KS	913-207-2770
Team Chambers, LLC			669-7513
lmer, Troy	Wichita	KS	316-262-1404
rtolo, Corey	Marrero	LA	504-415-2223
ldwell, Scott	Alexandria	LA	318-547-5690
ng, John	Marrero	LA	504-287-9159
ng, John	Marrero	LA	504-287-9159
ntenot, Neil	Youngsville	LA	337-856-7971
mes, Antonio & Lisa	St. Rose	LA	504-305-6114
Bergeron, Louis "Chad"	Prairieville	LA	225-751-0124
Kora III, Gabriel	Prairieville	LA	225-751-0124
Lambert, Brad	Gonzales	LA	644-8216
useng, Jeff	Bossier City	LA	318-347-9897
Schexnaydre, Paul	Covington	LA	504-352-4224
Simms, Timmy and Kelly	Harahan	LA	734-2270
Burkinshaw, Neil	Waldorf	MD	301-972-0725
Collins, Sam and Doris	Annapolis	MD	240-222-3777
Lechner, Michael	Ellicott City	MD	443-983-8006
Stone, Ronald	Jarrettsville	MD	410-692-7568
Lechner, Michael	Portland	MD	207-899-4473
B&G Ventures, LLC	Jarrettsville	MD	410-692-7568
Ramsay, Jane	Birmingham	MD	410-271-1314
34 Fly llc.	Annapolis	MD	410-248-894
Baskins, Alan	Livonia	MI	734-458-4100
Cagle, Stephanie and Budd	Chesterfield	MI	-
Duffield, Mathew	Keego Harbor	MI	248-630-7878
Giralte, Yvan	Ortonville	MI	248-895-0300
Ilg, Curt and Holly	Clarkston Road	MI	721-3939
Bernadette	Novi	MI	248-207-8378
Nienhaus, Steve	Clarkston	MI	830-0325
Liekhaus, Cynthia	South Lyon	MI	586-306-7154
M2J, LLC	Dearborn	MI	313-791-0858
MORA, Inc.	Linden	MI	810-923-1822
MPL Fitness, LLC	Linden	MI	810-923-1822
MPL Fitness, LLC	Linden	MI	810-923-1822
Paterson, Andrew	Ann Arbor	MI	734-516-8550
Allison, Mark	Birmingham	MN	612-388-2079
Plymouth Snap, LLC	Plymouth	MN	612-388-2079
Bednar, Brenda	Williamston	MN	507-446-0657
PT Fitness, LLC	Owatonna	MN	517-881-1000
Bowman, Heather	South Lyon	MN	248-486-3586
Rochon, Keith and Carol	Minneapolis	MN	651-324-4782
Sietsema, Carl and Pam	Hudsonville	MI	616-669-5853
Sietsema, Ryan	Hudsonville	MI	616-896-8706
Watson, Chuck	Grand Haven	MI	616-502-8746
Wizenberg, Eric	Ferdale	MI	702-443-8716
Hammer, Heather	Cross Lake	MN	218-692-2300
Erie, Wendy and Bill	New Ulm	MN	651-214-8534
Hayes, Jennifer	Eden Prairie	MN	952-448-6500
Gallo Snap Fitness 1, LLC	Bloomington	MN	294-4897
Heinen, Paul	Elk River	MN	-

Franchisee Name		FranchiseeCityCity	FranchiseeStateState	PhoneWorkPhone
Hookom, Derek		Eden Prairie	MN	952-769-7042
Johnson, Paul		Pine City	MN	763-670-3536
McKeever, RyanMiller, Gary & Jennifer		St. Paul	MN	651-793-6894612-224-5555
Sanderson, JanRapport Health and Fitness LLC		SartellPlymouth	MN	3202828744651-739-9766
a, Robert	Edina		MN	952-941-7843
Winsor, JulieStamm & Larson, Inc.		MinnetonkaSt. Michael	MN	612-770-7557961-8962
Winsor, JulieTaunton, Tom and Jane		New LondonSt. Michael	MN	612-770-7557875-0826
Winsor, JulieShow-me Strides, LLC		St. MichaelSouthhaven	MNMO	612-770-7557660-202-9363
Winsor, JulieFiello, Anise		GulfportSt. Michael	MNMS	612-770-7557
Winsor, JulieKRB Fitness LLC		GulfportSt. Michael	MNMS	612-770-7557985-845-9979
Winsor, JulieReikhof, Jack		St. MichaelStarkville	MNMS	612-770-7557662-418-9736
Winsor, JulieEckmann, Kyle		St. MichaelClancy	MNMT	612-770-7557406-202-0094
Atwood, LyndaNadeau, Marc and Christa		BigforkSpringfield	MONMT	406-837-3930417-890-2681
Carmody, BradALANIK INC.		JamestownUniversity City	MONC	336-307-3701314-726-2818
Webb, DanGiuggio, Nick		RolesvillePittsboro	NC	919-542-5881452-7432
ongeon, Donald	Charlotte		NC	704-583-1908
mith, Gerry	Charlotte		NC	704-644-7854
Almond, TrevorKenelly, JD		Grand IslandForks	NEND	218-779-1141308-384-7558
Buel, TravisEnterprises, LLC		Lincoln	NE	402-890-3822
Buel, TravisFerguson, Darren		Lincoln	NE	402-890-38224132
Theil, RyanCheryl Santerelli		DerryLincoln	NENH	402-610-3713603-568-7473
Cosgrove, Brent		Maplewood	NJ	973-477-9133
Hanigan, JayFitnessstek, LLC		FlemingtonCranbury	NJ	908-284-2034601-6267
Powell, RonHill, Carla		SmithvillePennsville	NJ	609-513-7707302-326-1212
Powell, RonKohut, Robert		PennsvilleEwing	NJ	302-326-1212609-915-9028
Renke, William		Oak Ridge	NJ	-
TC Fitness, LLC		Erial	NJ	609-440-1904
The Beams Group, LLC		Williamstown	NJ	610-940-5617
Musshorn, Elmer		Las Cruces	NM	505-521-1088
Gilmore, SidCD Wellness Inc.		AuburnAstoria	NY	315-364-9899718-916-8646
Schilling, CarlDiGiuseppe, Gary		HoltsvilleTroy	NY	631-447-6028518-488-8479
Regen, Jed		Suffern	NY	201-835-5161
Spallino, Tom &and Doreen		Locust Valley	NY	516-761-5084799-1708
Swift Repair, Inc.		Medford	NY	631-707-5570
Travis, Karen		Horseheads	NY	607-846-2126
Huston, Robert and Amy		Hudson	OH	330-653-8687
Collins, Jerry (Chris)McIntire, Mark		XeniaSpringboro	OH	937-885-3511545-8684
ward, John	Sylvania		OH	419-768-6455
Archer, DougPearce, Justin		PendletonTigard	OR	503-603-1871
Bromley, JamesDavis, Jason		AltoonaNorristown	PA	814-327-8929610-277-4578
Davis, Jason		Altoona	PA	814-327-8929
Gery, BrianDavis, Jason		FountainvilleAltoona	PA	814-327-8929215-534-2335
Davis, JasonKartesz, Stephanie		ErieAltoona	PA	814-327-8929882-9049
Schmus, JamesMaley, Anthony		DrumsChambersburg	PA	570-574-4158717-709-0311
Prime Time Fitness LLC		Greensburg	PA	412-554-3774
Stockton, John		Linfield	PA	610-495-1939
Broin, RobertKeller, Terry		Sioux Falls	SD	605-310-9201728-1041
Broin, RobertW&J Enterprises, LLC		Sioux FallsRapid city	SD	605-310-920431-1168
Creagan, Mike		Cleveland	TN	423-479-3446
Hennessy, Jay and Jacquelyn		Nolensville	TN	615-714-5388
Banks, DawnJames, Marq		FranklinKnoxville	TN	515-865-691-96998295
Alexander, Zachary		McKinney	TX	214-736-1099
Gorman, AndrewAndrulis, Joe		Irving	TX	972-556-2104650-1637
Compton, Katherine		Lampasas	TX	512-556-3550
Garcia, Patricia		Corpus Christi	TX	361-980-0642
Hill, LonnieGrandjean, Mike and LaurieKelly		PearlandProsper	TX	480-313-4983214-402-1031
LaPietra, VincentHeritage Trace, LLC		RoanokeSouthlake	TX	817-421-9696431-3123

Franchisee Name	Franchisee City	Franchisee State	Phone Work
Ruelas, Shari & Daniel Home Works, LLC	Houston Frisco	TX	281-225-5934 214-831-7627
Huggins, Jimmy	College Station	TX	979-255-3587
Johnson, Leander	Irving	TX	817-680-7886
MustBNice Ventures Inc.	Round Rock	TX	512-771-2369
Payne, Ross	Irving	TX	214-803-0485
Kimball, Greg Mabey, T. Dec	Sandy Draper	UT	801-571-4130 362-9818
Shank, Sallie Ford, Cynthia	Spokane Nephi	UTWA	720-394-4177 208-521-0402
thbun, David	Midlothian	VA	804-527-6743
Siochi, Jackie Zurfluh, Jim and Octavio Trina	University Place Sammamish	WA	425-533-6106 253-566-6831
nderson, Rand	Hudson	WI	715-246-9105
nderson, Rand	Hudson	WI	715-246-9105
H, Michael	Milwaukee	WI	414-690-8129
Burns, Jon Foster, Greg	McFarland Madison	WI	608-698-4577 221-0453
Burns, Jon Gilpatrick, Sandy	McFarland Racine	WI	608-698-4577 262-456-7486
ms, Jon	McFarland	WI	608-698-4577
Cronin, Lauren Greg Foster	Madison	WI	608-221-0453
Larson, Brad MF Creekwood Fitness	Hudson Pewaukee	WI	715-760-2100 262-695-2550
Larson, Brad Swiecichowski, Mark	Green Bay Hudson	WI	920-360-2568 715-760-2100
Lunde, Dave White, Mark and Jennifer	Pleasant Prairie St. Croix Falls	WI	715-483-9265 262-697-3478
ernitzky, Tim	Marshfield	WI	715-571-3329
ernitzky, Tim	Marshfield	WI	715-571-3329
nda, Britt	Hudson	WI	715-760-2936
ch, Jim			215-361-7627

### Franchisees that closed or transferred a location or had an agreement terminated, but remain in the system:

Franchisee Name	City Franchisee City	Franchisee State	Phone Work
Faucette, George Andrade, Misti	Fayetteville St. Louis	MO AR	314-698-7561 479-510-1548
Cotton, Rod	Santa Clara	CA	408-377-1196
Double TT, Inc.	Visalia	CA	559-735-0380
Monahan, Michael and Sabrina	Pleasant Hill	CA	650-280-3924
RTR Group, LLC	Redwood City	CA	650-365-7627
Valley Breeze Fitness, LLC	Folsom	CA	916-357-5050
Livingston, Josh	Simsbury	CT	860-581-4014
Peek, Shannon	Jacksonville Beach	FL	904-838-3378
Rousseau, Hugues and Marilyn	Davie	FL	954-424-0405
JRG Fitness Operations, LLC	Atlanta	GA	404-624-1985
Bergeron, Louis "Askelson, Chad" and Suzanne	Cambridge Prairieville	LA IA	515-689-6370 225-715-9037
Cullins, Matt and Lisa	Ankeny	IA	515-480-2597
Puk, Kevin	Johnston	IA	515-202-4444
Auker, Brad	Byron	IL	-
Berry Hahn, Bill & Beth	Springfield Hamburg	NY IL	217-522-6902 716-648-6205
Simonsen, Todd	Lake Villa	IL	847-219-2672
Bennett Fitness, LLC	Olathe	KS	913-393-1412
Floyd, David	Versailles	KY	859-351-4897
Kingdom Investments of Hodgenville, Inc.	Guston	KY	270-668-2437
Covington Fitness Center, LLC	Baton Rouge	LA	225-754-8894
Snap Fitness of Lake Charles, LLC	Lake Charles	LA	337-274-2077
Vasquez, Michelle	West Monroe	LA	-
Blakeslee, John	Waterford	MI	734-516-5595

<a href="#">Bounds, Brad</a>	<a href="#">Philadelphia</a>	<a href="#">MS</a>	<a href="#">601-483-9111</a>
<a href="#">Brannock, Steve &amp; Amy</a>	<a href="#">Cynthiana</a>	<a href="#">KY</a>	<a href="#">859-221-9934</a>
<a href="#">Brennan, Maris &amp; R.J. and RJ</a>	<a href="#">Grand Ledge</a>	<a href="#">MI</a>	<a href="#">517-490-9269</a>
<a href="#">PAZ fitness, LLC</a> <a href="#">Bromley, James</a>	<a href="#">Norristown</a> <a href="#">Jennison</a>	<a href="#">PAMI</a>	<a href="#">610-277-4578</a> <a href="#">616-669-1613</a>
<a href="#">Shields, Randy</a> <a href="#">Brown, Marvin</a>	<a href="#">Brighton</a> <a href="#">Liberty Township</a>	<a href="#">OHMI</a>	<a href="#">513-777-9707</a> <a href="#">734-426-2655</a>
<a href="#">Arntson Enterprises Inc.</a>	<a href="#">East Grand Forks</a>	<a href="#">MN</a>	<a href="#">218-779-1287</a>
<a href="#">Borden, Howie</a> <a href="#">Callister, Aaron</a>	<a href="#">St. Cloud</a> <a href="#">Minnetrista</a>	<a href="#">MN</a>	<a href="#">952-412-6945</a> <a href="#">292-1119</a>
<a href="#">Connell, Kent</a> <a href="#">Christina Clark</a>	<a href="#">Crystal Lake</a> <a href="#">Dassel</a>	<a href="#">ILMN</a>	<a href="#">815-356-7995</a> <a href="#">320-296-5100</a>
<a href="#">Ferrell, Jon</a> <a href="#">Cowan, Ben</a>	<a href="#">Lexington</a> <a href="#">South Haven</a>	<a href="#">KYMN</a>	<a href="#">(859)-268-4503</a> <a href="#">320-492-1133</a>
<a href="#">Live Now Inc.</a>	<a href="#">Maple Plain</a>	<a href="#">MN</a>	<a href="#">763-241-8387</a>
<a href="#">Nadeau, Larry</a>	<a href="#">Foley</a>	<a href="#">MN</a>	<a href="#">320-968-6897</a>
<a href="#">Veenis, Kyle</a>	<a href="#">Blaine</a>	<a href="#">MN</a>	<a href="#">651-398-6866</a>
<a href="#">Parrott, Mathew</a>	<a href="#">Kansas City</a>	<a href="#">MO</a>	<a href="#">785-423-0127</a>
<a href="#">Bounds, Brad</a>	<a href="#">Philadelphia</a>	<a href="#">MS</a>	<a href="#">601-483-9111</a>
<a href="#">Drawdy, Tripp &amp; Elyse</a>	<a href="#">Waxhaw</a>	<a href="#">NC</a>	<a href="#">704-243-2425</a>
<a href="#">Edgington, Kipp</a> <a href="#">Floyd, David</a>	<a href="#">Sullivans Island</a> <a href="#">Versailles</a>	<a href="#">KYNC</a>	<a href="#">614-638-7188</a>
<a href="#">Foster, Adam</a> <a href="#">Everman, LLC</a>	<a href="#">hickory</a> <a href="#">Hiawatha</a>	<a href="#">IANC</a>	<a href="#">608-206-3962</a> <a href="#">319-654-6470</a>
<a href="#">Anderson, Renee</a> <a href="#">Foster, Adam</a>	<a href="#">Hiawatha</a> <a href="#">Kindred</a>	<a href="#">IAND</a>	<a href="#">319-654-6470</a> <a href="#">701-469-2150</a>
<a href="#">Gerke, Scott</a> <a href="#">Bargen Sports, LLC</a>	<a href="#">Cincinnati</a> <a href="#">Columbus</a>	<a href="#">OHNE</a>	<a href="#">513-403-5333</a> <a href="#">402-563-4144</a>
<a href="#">Ginster, Andrew</a> <a href="#">Kedash, John</a>	<a href="#">Newton</a> <a href="#">Vernon Hills</a>	<a href="#">ILNJ</a>	<a href="#">973-579-2127</a> <a href="#">414-281-9414</a>
<a href="#">Bridget, Kellet</a>	<a href="#">Orchard Park</a>	<a href="#">NY</a>	<a href="#">716-316-2590</a>
<a href="#">Burghardt, Fred</a>	<a href="#">Fairport</a>	<a href="#">NY</a>	<a href="#">585-223-4753</a>
<a href="#">Graham, Lorna</a>	<a href="#">Katonah</a>	<a href="#">NY</a>	<a href="#">914-826-6100</a>
<a href="#">Schwartz, Stephen</a> <a href="#">Hansen, Craig</a>	<a href="#">New York</a> <a href="#">Earlsville</a>	<a href="#">VANY</a>	<a href="#">703-598-1927</a> <a href="#">914-596-2468</a>
<a href="#">Staiger, Jack and Gayle</a> <a href="#">Hansen, Craig</a>	<a href="#">West Chester</a> <a href="#">Earlsville</a>	<a href="#">VAOH</a>	<a href="#">513-477-2471</a> <a href="#">703-598-1927</a>
<a href="#">Hardesty, Jerry</a> <a href="#">2 DM Lifestyles, LLC</a>	<a href="#">Salem</a> <a href="#">Guston</a>	<a href="#">KYOR</a>	<a href="#">503-559-6207</a> <a href="#">270-668-2438</a>
<a href="#">Barrett, Matt</a> <a href="#">Hde, Rebecca</a>	<a href="#">Bend</a> <a href="#">Red Oak</a>	<a href="#">TXOR</a>	<a href="#">541-948-5212</a> <a href="#">(214)-641-8075</a>
<a href="#">Muir, Randy</a>	<a href="#">Salem</a>	<a href="#">OR</a>	<a href="#">503-559-6207</a>
<a href="#">Starr, Matt</a>	<a href="#">Portland</a>	<a href="#">OR</a>	<a href="#">612-991-6288</a>
<a href="#">Liney, Bill</a>	<a href="#">Media</a>	<a href="#">PA</a>	<a href="#">302-218-3233</a>
<a href="#">EDF Enterprises DW, LLC</a>	<a href="#">Sullivans Island</a>	<a href="#">SC</a>	<a href="#">614-638-7188</a>
<a href="#">Anderson, Bruce</a>	<a href="#">Sioux Falls</a>	<a href="#">SD</a>	<a href="#">605-334-7141</a>
<a href="#">Britton, Robert</a>	<a href="#">Franklin</a>	<a href="#">TN</a>	<a href="#">615-776-1071</a>
<a href="#">Lagoon, Jim</a> <a href="#">Hancock Jr., William and Jackie</a> <a href="#">Elizabeth</a>	<a href="#">Stillwater</a> <a href="#">Nashville</a>	<a href="#">MNTN</a>	<a href="#">651-983-8818</a> <a href="#">615-288-2177</a>
<a href="#">Karkau, David</a>	<a href="#">Brentwood</a>	<a href="#">TN</a>	<a href="#">615-941-7452</a>
<a href="#">Makela Business Holdings Inc.</a>	<a href="#">Knoxville</a>	<a href="#">TN</a>	<a href="#">612-760-7614</a>
<a href="#">Abel, Chris</a>	<a href="#">Cedar Hills</a>	<a href="#">TX</a>	<a href="#">817-462-4078</a>
<a href="#">Dunn, Matt</a>	<a href="#">Missouri City</a>	<a href="#">TX</a>	<a href="#">713-398-4260</a>
<a href="#">Hill, Marty</a>	<a href="#">Lancaster</a>	<a href="#">TX</a>	<a href="#">972-218-5418</a>
<a href="#">Neal Janke</a>	<a href="#">Manchaca</a>	<a href="#">TX</a>	<a href="#">512-398-2454</a>
<a href="#">Oliver, Jeanne</a>	<a href="#">Round Rock</a>	<a href="#">TX</a>	<a href="#">512-671-3979</a>
<a href="#">V4 Enterprises, LLC</a>	<a href="#">Columbus</a>	<a href="#">TX</a>	<a href="#">979-543-2348</a>
<a href="#">Van Cleave, George</a>	<a href="#">Athens</a>	<a href="#">TX</a>	<a href="#">512-591-7798</a>
<a href="#">Lechner, Don</a>	<a href="#">North Salt Lake City</a>	<a href="#">UT</a>	<a href="#">801-450-9849</a>

Franchisee Name	CityFranchiseeCity	FranchiseeStateState	PhoneWork
Lybeck, ToddSteven and KristinaPeggy Jackson	HamptonEden Prairie	MNVA	952-996-0070
Spencer, Jeff	Spokane	WA	703-798-5848
Maefarlane, JackieBrecher, Scott and GrahamLaura	HudsonParker	COWI	715-381-3090303-805-5372
CR Fitness, LLC	Waunakee	WI	608-630-2000
Five Starz, LLC	Milwaukee	WI	414-351-8418
Metcalf, AllenJaspen, Inc.	St. Croix FallsNew Richmond	WI	715-483-5300246-9096
Kohls, Dan and Robin	Sparta	WI	608-633-2346
Metcalf, AllenNorth Country Closeouts, Inc.	St. Croix Falls	WI	715-483-5300
Mooneyham, GregRish, Charlie	ElkhornAtlanta	GAWI	262-298-5943404-624-1985
Mooneyham, GregRosewood 4, LLC	MilwaukeeAtlanta	GAWI	404-624-1985414-412-9162
Opp, Gary	Fargo	ND	701-232-2507
Pearce, Lee	Birmingham	AL	205-202-4010
Shaffer, Richard	Duluth	MN	218-626-4767
Sivin, Greg	Dix Hills	NY	631-254-9062
Solomon, Davey	Hamilton	GA	706-576-5237
Steinberger, CarrieSnap Development Inc.	Milwaukee	WI	(414)-351-8418-688-1718
Watts, Sam and LauraToelle Fitness, LLC	PrairievilleAmherst Jct.	LAWI	225-955-4500715-824-5383

### Franchisees who have not communicated with us within 10 weeks of this Disclosure Document:

Franchisee Name	PhoneWorkPhone	FranchiseeCityCity	FranchiseeStateState
Abbott, Jeffrey	336-497-4290	Kernersville	NC
Atwood, Lynda	417-890-2681	Springfield	MO
Auker, Brad		Byron	IL
Bennett, BrianZiauddin, Monsoor	925-425-3889829-9750	PleasantonSan Ramon	CA
Bethmann, Scott	904-992-1797	Jacksonville	FL
Burkinshaw, Neil	301-972-0725	Germantown	MD
Byron, Steve	310-542-8171	Redondo Beach	CA
Caldwell, Scott	318-547-5690	Alexandria	LA
Clifford, Bill	203-470-8797	Danbury	CT
Creagan, MikeLivingston, Josh	203-470-8797860-581-4014	ClevelandSimsbury	TNCT
Davis, Jason	814-327-8929	Altoona	PA
De Leon Jr, Jaime	409-549-3696	Groves	TX
DiGiuseppe, Gary	631-447-6028	Holtsville	NY
Drost, Bill	863-647-1581 (work)	Lakeland	FL
Duffield, Matthew	248-630-7878	Keego Harbor	MI
Dupuy, Mike	(225)-622-1680	Gonzales	LA
durst, eric	608-206-3962	hickory	NC
Erie, Wendy and Bill	218-692-2300	Cross Lake	MN
Ferron, Kenneth	765-438-8615	Noblesville	IN
Fiello, Anise		Gulfport	MS
Ford, Cynthia	720-394-4177	Spokane	WA
Foster, Linda	610-814-2598	Bethlehem Township	PA
Gates, Eric	240-595-3140	Washington	DC
Gery, BrianFiorvante, Kate	215-534-2335954-789-9322	FountainvilleBoynton Beach	PAFL
Gery, Brian	215-534-2335	Fountainville	PA
Gibson, L.H	601-276-2651	Summit	MS
Grandjean, Mike & Kelly	480-313-4983	Pearland	TX
Griffith, Morgan	812-427-2809	Vevay	IN
Hill, Carla	609-513-7707	Smithville	NJ
Holcomb, Joseph	919-341-8587	Wake Forrest	NC
Horowitz, Bill	work)-860-543-9300	Enfield	CT
Howard, Don	859-223-8164	Nicholasville	KY
Huston, Robert & Amy	330-653-8687	Hudson	OH
Ilg, Curt & Bernadette	248-721-3939	Clarkston Road	MI
Johnson, Leander	(817)-680-7886	Irving	TX
Kartesz, Stephanie	814-882-9049	Erie	PA
Kearns, Jeff	760-218-5977	Palm Springs	CA

Franchisee Name	PhoneWorkPhone	FranchiseeCityCity	FranchiseeStateState
Kempfer, Kurt	303-799-2688	Lonetree	CO
Kennelly, JD	218-779-1141	Grand Forks	ND
Knorr, Michael	954-385-3049	Weston	FL
Knuth, Jason	617-585-4476	Plymouth	MA
Konye, Dave	248-939-0030	Howell	MI
Lackman, Melissa		Santa Clarita	CA
Lamazares, Manny	305-401-3012	Miami Beach	FL
Leeonte, Brice		Reston	VA
Livingston, Josh	860-581-4014	Simsbury	CT
Mabey, T. Dee	801-362-9818	Sandy	UT
Maley, Anthony	570-574-4158	Drums	PA
Mansfield, Rick	727-871-1141	Tarpon Springs	FL
Martinez, Richard "Rick"	210-279-9259	San Antonio	TX
McCormick, Ian	601-457-2076	West Chester	PA
Mitchell, Maurice & Norma	203-846-4746	Norwalk	CT
Moffitt, Maria	(770)-431-9311	Smyrna	GA
Nadeau, Marc & Christa	406-837-3930	Bigfork	MT
Nagrone, Terri and Kevin	208-884-1642	Kuna	ID
Paterson, Andrew	734-516-8550	Ann Arbor	MI
Payne, Ross	214-803-0485	Irving	TX
Payne, Seth	904-309-1270	Atlantic Beach	FL
Pearce, Justin		Pendleton	OR
Pinson, —Teresa Velie, Suzanne and Keith Jake	515-559-7140 931-520-4426	UrbandaleCookeville	TNIA
Postell, Johnny Griffith, Morgan	812-427-2809 954-236-0157	VevayPlantation	FLIN
Powell, Philip Turner, Mathew	317-403-0049 417-850-3504	ZionsvilleJoplin	MOIN
Rafiq, Atif Howard, Don	631-928-5577 859-223-8164	Miller PlaceNicholasville	NYKY
Renke, William Walker, Steve	859-264-8424	Oak RidgeLexington	NJKY
Rechon, Keith & Carol Caldwell, Scott	318-547-5690 248-486-3586	AlexandriaSouth Lyon	MILA
Dupuy, Mike	225-622-1680	Gonzales	LA
Hilton, David	228-861-8066	Slidell	LA
Ronquille, Blane and Rebecca	504-398-1029	Belle Chasse	LA
Knuth, Jason Saladino, Don	212-334-9537 617-585-4476	NYPlymouth	NYMA
Sietsema, Carl & Pam Burkinshaw, Neil	616-669-5853 301-972-0725	HudsonvilleGermantown	MIMD
Sietsema, Ryan Konye, Dave	616-896-8706 248-939-0030	HudsonvilleHowell	MI
Atwood, Lynda	417-890-2681	Springfield	MO
Powell, Phillip	417-850-3504	Joplin	MO
Gibson, L.H.	601-276-2651	Summit	MS
Abbott, Jeffrey	336-497-4290	Kernersville	NC
Holcomb, Joseph	919-341-8587	Wake Forrest	NC
Simpson, Graham	702-677-2705	Reno	NV
Smith, Tyrone Chapin, Norman	520-250-3000 518-378-5587	TuesonPurling	AZNY
Rafiq, Atif	631-928-5577	Miller Place	NY
Saladino, Don Spallino, Tom & Doreen	516-761-5084 212-334-9537	Loeust ValleyNY	NY
St. Clair, Brad	work 720-241-5177	Littleton	CO
Swieczkowski, Mark	920-360-2568	Green Bay	WI
Taylor, Jeff	203-257-8622	Fairfield	CT
Terry, Jim & Anne	607-331-6095 739-9869	Horseheads	NY
Treger, Douglas	215-794-1830	Doylestown	PA
Tully, James	312-961-1829	Vancouver	WA
Turner, Matthew	317-403-0049	Zionsville	IN
Vasquez, Michelle		West Monroe	LA
Vauters, Greg	(541)-981-9210	Albany	OR
Veenis, Kyle Foster, Linda	651-398-6866 610-814-2598	BlaineBethlehem Township	MNPA
Velie, Suzanne & Jake McCormick, Ian	601-457-2076 545-559-7140	West ChesterUrbandale	IAPA
Vinson, Wayne Pinson, Teresa and Keith	(979)-543-2348 931-520-4426	CookevilleColumbus	TXTN
Walker, Steve	859-264-8424	Lexington	KY
Walters, Wade and Karen	615-794-5836	Franklin	TN
Webb, Dan De Leon Jr., Jaime	409-549-3696 919-452-7432	GrovesRolesville	NCTX
Wizenberg, Erie	702-443-8716	Ferndale	MI
Zavala, Sergio & Francesca	978-223-0656	Riverview	FL
Ziauddin, Mansoor Martinez, Richard	925-829-9750 210-279-9259	San RamonAntonio	CATX

Franchisee Name	PhoneWorkPhone	FranchiseeCityCity	FranchiseeStateState
Zurfluh, Jim & TrinaLeconte, Brice	2535666831	University PlaceReston	WAVA
Dao, Daniel	-	Caracas	-

**SNAP FITNESS FRANCHISEES**  
**OPEN CLUBS AS OF NOVEMBER 30, 2013**

Franchisee-First	Franchisee-Last	Club-Phone	Club-Address	Club-City	Club-State	Club-Zip
Julie	Magee	(251) 580-0810	201 Chamber Dr.	Bay Minette	AL	36507
Lee	Pearce	(205) 202-4010	2835 Highland Avenue	Birmingham	AL	35205
Greg and Robin	Buttram	(256) 281-3020	777 US. Hwy. 431	Boaz	AL	35957
Wayne	Holliman	(205) 678-4701	20 Chelsea Corners	Chelsea	AL	35043
Greg and Robin	Buttram	(256) 273-0400	2605 Gault Ave. North	Ft. Payne	AL	35967
Ralph Edward	Williams	(205) 664-2600	2600 Hwy. 58	Helena	AL	35080
Robert	Logan	(251) 679-5554	25 Shelton Beach Rd.	Saraland	AL	36571
Robert	Logan	(251) 626-0320	6450 US Hwy 90	Spanish Fort	AL	36527
Mitch	McDonald	(205) 331-4772	7402 Hwy 69 South	Tuscaloosa	AL	35405
Josh	Bergeron	(205) 822-4348	2512 Rocky Ridge Road	Birmingham	AL	35243
George	Faucette	(479) 443-7627	1261 Steamboat Drive	Fayetteville	AR	72703
Bill	Rahn	(501) 353-0224	400 North Bowman Road	Little Rock	AR	72211
Bill	Rahn	(501) 246-8266	1401 W. Capitol Ave.	Little Rock	AR	72201
Kevin	Adkison	(479) 890-7627	501 North Arkansas Avenue Suite B	Russellville	AR	72802
David	Trahan	(928) 282-7627	400 Finnie Flat Rd Suite 1A	Camp Verde	AZ	86322
Jacob	Walker	(520) 423-0123	1667 N. Trekell Road	Casa Grande	AZ	85122
Jon	Moore	(480) 369-4457	990 East Riggs Rd.	Chandler	AZ	85249
David	Trahan	(520) 350-9252	1491 N. Arizona Blvd.	Coolidge	AZ	85128
Steele	Sacks	(928) 649-1905	976 South Main Street	Cottonwood	AZ	86326
Warren	Hubbard	(928) 522-6600	7810 North Hwy. 89	Flagstaff	AZ	86004
David	DeGroote	(480) 837-3901	13525 N. Fountain Hills Blvd.	Fountain Hills	AZ	85268
Kurt & Lachele	Mangum	(480) 840-6363	1459 S Higley Rd	Gilbert	AZ	85296
Gary	Heinfeld	(520) 395-2210	8567 N Silverbell	Tucson	AZ	85743
Lyle	Huntoon	(480) 755-7627	2025 S. Alma School Road	Mesa	AZ	85210
Keith	Conrad	(928) 443-1309	2971 Willow Creek Rd	Prescott	AZ	86301
Keith	Conrad	(928) 776-0355	1454 West Gurley St.	Prescott	AZ	86305
Keith	Conrad	(928) 775-0888	6455 North Viewpoint Drive	Prescott Valley	AZ	86314
Rex	Schenk	(480) 987-1255	21258 E. Rittenhouse	Queen Creek	AZ	85142
Steele	Sacks	(928) 282-2139	2081 West SR-89A	Sedona	AZ	86336
Steele	Sacks	(928) 284-0554	6560 AZ-179	Sedona-Village of Oak Creek	AZ	86351
Frank	Robles	(520) 546-1114	8832 East Broadway Blvd.	Tucson	AZ	85710
Frank	Robles	(520) 293-1584	5095 North La Canada Blvd.	Tucson	AZ	85704
Frank	Robles	(520) 572-8788	7545 S Houghton Rd.	Tucson	AZ	85747
Joshua	Schaubach	(928) 782-3939	2780 South Pacific Ave.	Yuma	AZ	85365
Michael and Sabrina	Monahan	(925) 693-0110	6200 Center Street	Clayton	CA	94517
Alex	Tonelli	(650) 993-8224	6403 Mission Street	Daly City	CA	94014
Joshua	Schaubach	(760) 259-1212	1692 South 4th Street	El Centro	CA	92243
Cynthia and Robert	Breazeale	(916) 933-9448	2222 Francisco Dr. #290	El Dorado Hills	CA	95762
Kevin	Juza	(760) 746-7627	2355 East Valley Pkwy	Esecondido	CA	92027
Thomas	Loveall	(559) 594-4317	161 North E Street	Exeter	CA	93221
Dana	Mason	(510) 226-7627	43480 Mission Blvd	Fremont	CA	94539
Thomas	Ward	(408) 848-8701	8050 Santa Teresa Blvd.	Gilroy	CA	95020
Allen	Hall	(650) 948-5500	955 Fremont Ave.	Los Altos	CA	94024
Thomas	Ward	(831) 373-3990	399 Lighthouse Avenue	Monterey	CA	93940
Michael	Puhek	(805) 929-2900	671 W. Tefft St.	Nipomo	CA	93444
Tom	Nadal	(714) 769-7627	8412 E Chapman Ave	Orange	CA	92869
Tom	Nadal	(714) 633-7627	303 E. Katella Avenue	Orange	CA	92867
Alex	Tonelli	(530) 344-7027	6454 Pony Express Trail	Pollock Pines	CA	95726
Arnell	Chatman	(650) 365-7627	3209 Oak Knoll Drive	Redwood City	CA	94062
Thomas	Ward	(831) 783-0330	1128 South Main Street	Salinas	CA	93901
Arnell	Chatman	(408) 363-8018	410 W. Capitol Expressway	San Jose	CA	95136
Peter	von dem Hagen	(650) 393-5625	1232 W. Hillsdale Blvd.	San Mateo	CA	94403
Rod	Cotton	(408) 260-1111	60 N. Winchester Blvd.	Santa Clara	CA	95050
Allen	Cutler	(626) 403-6463	807 A Meridian Ave.	South Pasadena	CA	91030
Kevin	Juza	(760) 758-7627	950 E. Vista Way	Vista	CA	92084
Greg	Burch	(925) 938-8006	1533A Palos Verdes Mall	Walnut Creek	CA	94597
Milo	Carley	(970) 344-5072	939 Mountain Avenue	Berthoud	CO	80513
Jackie and Graham	Macfarlane	(303) 659-1261	35 North 42nd Ave.	Brighton	CO	80601
Dennis and Edna	Goldman	(303) 757-7627	1441 South Holly St.	Denver	CO	80222
Jackie and Graham	Macfarlane	(970) 454-3741	201 South Elm	Eaton	CO	80615
Jeromy	Goodson	(303) 833-2222	8350 Colorado Blvd.	Firestone	CO	80504



Franchisee-First	Franchisee-Last	Club-Phone	Club-Address	Club-City	Club-State	Club-Zip
Milo	Carley	(970) 472-1777	1015 South Taft Hill Rd.	Fort Collins	CO	80521
Andy	Bedard	(720) 890-7004	165 McCaslin Blvd	Louisville	CO	80027
Matt	Smith	(719) 544-7627	279 South Purcell Blvd.	Pueblo-West	CO	81007
Jackie and Graham	Macfarlane	(303) 289-7333	18240 E. 104th Ave.	Commerce City	CO	80022
Pamela	Kramer	(303) 904-7627	8351 N. Rampart Range Road	Littleton	CO	80125
Jennifer	Hurley	(970) 468-9801	358 Blue River Pkwy Suite B	Silverthorne	CO	80498
Michele	Pellegatto	(860) 581-4014	260 West Main St.	Avon	CT	6001
Dale	Athanas	(860) 552-2018	266 East Main Street	Clinton	CT	6413
John	O'Rourke	(203) 463-4224	656 New Haven Ave.	Derby	CT	6418
Brian	Swedrock	(203) 304-1487	123 South Main Street	Newtown	CT	6470
Jeff	Taylor	(203) 296-4576	345 Hawley Ln.	Stratford	CT	6614
Stephen	Schwartz	(302) 741-2444	1030 Forrest Ave.	Dover	DE	19901
Jeffrey	Koff	(302) 235-2180	7209 Lancaster Pike	Hockessin	DE	19707
Stephen	Hardy	(302) 376-6969	312 E Main St.	Middletown	DE	19709
Greg	Mooneyham	(302) 326-1212	1214 Beaver Brook Plaza	New Castle	DE	19720
Greg	Mooneyham	(302) 261-8138	1252 Capitol Trail	Newark	DE	19711
Stephen	Hardy	(302) 653-8023	665 South Carter Road	Smyrna	DE	19977
John	Franz	(850) 279-4994	4576 Highway 20 East	Niceville	FL	32578
Barry	Sikes	(941) 896-8817	3541-53rd Ave W	Bradenton	FL	34210
Marilyn	Rousseau	(863) 983-3000	920 West Sugarland Highway	Clewiston	FL	33440
Richard	Dorrian	(239) 949-4600	20041 S. Tamiami Trail	Estero	FL	33928
Andrew	Whited	(850) 362-6871	232 Racetrack Rd NE	Fort Walton Beach	FL	32547
Shannon	Peek	(904) 738-8325	2216 Oak Street	Jacksonville	FL	32204
Jason	Felts	(904) 992-9797	3267 Hodges Boulevard	Jacksonville	FL	32224
Tim	Gravino	(813) 341-7627	15276 Fishhawk Blvd	Lithia	FL	33547
Marilyn	Rousseau	(954) 436-7627	17195 Miramar Parkway	Miramar	FL	33027
Ben	Larremore	(850) 515-0060	8259 Navarre Parkway	Navarre	FL	32566
Jane	Radell	(386) 423-8995	424 Luna Bella Lane	New Smyrna Beach	FL	32168
Jordan	Levy	(813) 994-4434	19402 N. Bruce B. Downs Blvd	Tampa	FL	33647
John	Franz	(850) 678-7627	144 Palm Blvd	Niceville	FL	32578
James	Pridemore	(407) 977-0505	1949 CR 419	Oviedo	FL	32766
Steve	Ellis	(407) 359-0519	2200 Winter Springs Blvd.	Oviedo	FL	32765
Greg	Mooneyham	(727) 330-7570	1370 Tampa Rd.	Palm Harbor	FL	34683
Alvin	Simpson	(941) 766-7627	701 JC Center Court	Port Charlotte	FL	33954
Scott	Thomas	(813) 671-1200	11369 Big Bend Rd.	Riverview	FL	33569
Martin	Rivenbark	(941) 377-5646	5802 Bee Ridge Road	Sarasota	FL	34232
Greg	Mooneyham	(813) 814-1984	12611 Race Track Rd	Tampa	FL	33626
Jordan	Levy	(813) 322-3122	10613 Sheldon Rd.	Tampa	FL	33626
Stephen and Annica	Katsarelis	(727) 937-4999	852 E. Tarpon Ave.	Tarpon Springs	FL	34689
Cedric	Sumpter	(770) 777-1227	488 North Main Street	Alpharetta	GA	30004
Greg	Mooneyham	(404) 875-5656	1799 Briarcliff Rd.	Atlanta	GA	30306
Greg	Mooneyham	(404) 627-8000	920 Glenwood Ave. Suite 102/103	Atlanta	GA	30316
Greg	Mooneyham	(404) 584-9669	245 North Highland Ave	Atlanta	GA	30307
Greg	Mooneyham	(404) 793-7398	1167 LaVista Drive	Atlanta	GA	30324
Alan	Brown	(404) 736-6127	1000 Marietta Street NW- Suite 240	Atlanta	GA	30318
Randy	Lee	(706) 507-7627	1290 Double Churches Rd	Columbus	GA	31904
Michael	Chapman	(678) 705-1439	137 South McDonough Street	Decatur	GA	30030
Greg	Mooneyham	(404) 996-1677	115 Fairview Rd.	Ellenwood	GA	30294
Jeff and Rose	Carlyle	(678) 610-0512	1985 McDonough Road	Hampton	GA	30228
Fred	Barber	(706) 367-2220	914 Lee Street	Jefferson	GA	30549
Mike	Ross	(470) 422-7735	375 Rockbridge Road	Lilburn	GA	30047
Steve and Charlotte	McAdams	(770) 251-6900	3219 E. Hwy 34 Suite B	Newnan	GA	30265
Greg	Mooneyham	(770) 632-4444	2512 Redwine Road	Peachtree City	GA	30215
Wendy	Jones	(678) 552-2338	300 Crosstown Drive	Peachtree City	GA	30269
W. Scott and Jennifer	Bohlke	(912) 764-7627	609 Brannen Street	Statesboro	GA	30458
Jeff and Rose	Carlyle	(770) 474-0511	1005 Brentwood Parkway	Stockbridge	GA	30281
Donna	Cosola	(678) 765-6301	5885 Cumming Hwy.	Sugar Hill	GA	30518
Michael	Chapman	(770) 693-9013	3621 Vinings Slope SE Suite 1100	Atlanta	GA	30339
Lee	Bissmeyer	(515) 777-9219	1810 S.W. White Birch Circle Suite 107	Ankeny	IA	50023
Chad & Suzanne	Askelsen	(515) 989-2025	115 N 1st Street	Carlisle	IA	50047
Josh	Bergeron	(319) 277-1127	401 Main Street	Cedar Falls	IA	50613
Roy	Ware	(715) 254-9652	110 N. Grand Street	Chariton	IA	50049
Bob	Engler	(515) 987-7777	2200 NW 159th St. #200	Clive	IA	50325
Dan	Dolan	(563) 549-7109	2660 East 53rd. St.	Davenport	IA	52807
Will	Schuster	(563) 659-1948	100 6th Ave	De Witt	IA	52742
Lee	Bissmeyer	(515) 777-9219	4123 University Ave.	Des Moines	IA	50311

Franchisee-First	Franchisee-Last	Club-Phone	Club-Address	Club-City	Club State	Club Zip
Lee	Bissmeyer	(515) 777-9219	3440 E 33rd St	Des Moines	IA	50317
Katrina	Althaus	(563) 549-7149	600 East LeClaire Road	Eldridge	IA	52748
Will	Schuster	(515) 576-5599	2105 5th Ave. South	Fort Dodge	IA	50501
Lee	Bissmeyer	(515) 777-9219	1451 Gateway Circle	Grimes	IA	50111
Adam	Foster	(319) 832-1000	1711 Boyson Road	Hiawatha	IA	52233
Josh	Bergeron	(319) 332-1211	2002-2016 Enterprise Ct.	Independence	IA	50644
Kevin	Puk	(515) 961-3550	710 W 2nd Avenue	Indianola	IA	50125
Bob	Engler	(515) 276-5700	5525 Merle Hay Rd. Suite 175	Johnston	IA	50131
Kelly and Brad	Miller	(563) 289-2700	1005 Canal Shore Drive	Le Claire	IA	52753
Roy	Ware	(715) 254-9652	115 N. Main	Oseola	IA	50213
Cherie	Welsh	(515) 465-2848	1030 26th Street	Perry	IA	50220
Dylan	Barnes	(515) 256-8882	655 NE 56th St	Pleasant Hill	IA	50327
Lee	Bissmeyer	(515) 777-9219	1010 South 3rd Street, 1B	Polk City	IA	50226
Kyle	Sauter	(712) 722-2594	1921 S. Main Ave.	Sioux Center	IA	51250
Lee	Bissmeyer	(515) 777-9219	3963 100th St.	Urbandale	IA	50322
Josh	Bergeron	(319) 287-9000	3556 Kimball Ave.	Waterloo	IA	50702
Doug	Youngdale	(515) 832-7965	902 Seneca St.	Webster City	IA	50595
Christine	Maduro	(515) 223-1512	7450 Bridgewood Boulevard Suite 205	West Des Moines	IA	50266
Jeff	Spencer	(208) 772-4900	3270 W. Prairie Ave.	Coeur d Alene	ID	83815
Jeff	Spencer	(208) 209-7089	231 W. Hayden Ave.	Hayden Lake	ID	83835
Carrie	Merrill	(208) 522-3200	681 S Woodruff Ave	Idaho Falls	ID	83401
Rich and Kristine	O'Brien	(847) 854-3481	1042 E. Algonquin Rd.	Algonquin	IL	60102
Tony	Harris	(217) 438-4348	650 E. Jackson Street	Auburn	IL	62615
Misti	Andrade	(618) 233-3055	3030 Frank Scott Parkway West	Belleville	IL	62223
Brad	Auker	(815) 234-2700	211 N. Walnut Street	Byron	IL	61010
Tony	Harris	(217) 854-4006	276 N. Broad St.	Carlinville	IL	62626
Paul	Taunton	(217) 891-3006	1061 Jason Pl.	Chatham	IL	62629
Andrew	Ginster	(773) 930-3424	4504 West Irving Park Road	Chicago	IL	60641
Brett and Meghann	Benson	(312) 533-4646	1212 South Michigan Ave.	Chicago	IL	60605
Kent	Connell	(815) 444-7627	450 North Route 31	Crystal Lake	IL	60012
Rich and Kristine	O'Brien	(630) 448-0901	140 IL ROUTE 38	Elburn	IL	60119
Todd	Simonsen	(847) 841-8117	1350 East Chicago	Elgin	IL	60120
Mike	Ballard	(309) 467-9500	1958 S. Main St.	Eureka	IL	61530
Paul	Taunton	(217) 877-1184	133 Barnett Ave.	Forsyth	IL	62535
Jamie and Tiffany	Keller	(847) 587-7627	7223 State Park Road	Fox Lake	IL	60020
James	Keller	(847) 639-9500	944 IL Route 22	Fox River Grove	IL	60021
Kirsten	Decker	(309) 944-4335	1045 S. Oakwood Ave.	Geneseo	IL	61254
David	Yocum	(847) 724-7627	1527 Waukegan Road	Glenview	IL	60025
Ralph and Angie	Hayward	(847) 223-5300	34491 N. Old Walnut Circle	Gurnee	IL	60031
Carolyn	Chesta	(847) 683-3300	111 West Oak Knoll Drive	Hampshire	IL	60140
Carolyn	Chesta	(847) 669-0400	10743 Huntley/Dundee Rd.	Huntley	IL	60142
Paul	Taunton	(618) 498-7330	1404 Windy Lane	Jerseyville	IL	62052
Jeff	Bauspies	(847) 838-1299	850 Tower Drive	Lake Villa	IL	60046
James	Keller	(847) 356-1800	435 S. Route 45	Lindenhurst	IL	60046
Paul	Taunton	(217) 324-3333	1403 West Ferdon	Litchfield	IL	62056
Greg	Mahlstedt	(815) 568-6000	910 C Greenlee	Marengo	IL	60152
Paul	Taunton	(217) 235-0020	140 Dettro Drive	Mattoon	IL	61938
Greg	Mahlstedt	(815) 363-1830	380 Bank Dr.	McHenry	IL	60050
William	Steinmetz	(847) 388-0288	840 N IL Rte 83	Mundelein	IL	60060
David	Yocum	(847) 358-7627	19 West Wilson	Palatine	IL	60067
Randy	Mueller	(815) 570-5244	6518-6524 West Rt. 34	Plano	IL	60545
John	Marcotte	(217) 223-3488	6228 Broadway	Quincy	IL	62305
Jamie and Tiffany	Keller	(815) 678-7627	10007 North Main Street	Richmond	IL	60071
Raj	Patel	(815) 227-1110	811 S. Perryville Rd.	Rockford	IL	61108
Patricia	Dolinky	(630) 980-6997	863 E. Nerge Rd.	Roselle	IL	60172
Todd	Simonsen	(847) 546-1400	389 N. Wilson Rd.	Round Lake	IL	60073
Jeff	Bauspies	(847) 740-7627	139 W Belvidere	Round Lake	IL	60073
Paul	Taunton	(217) 381-4951	131 Illini Drive	Sherman	IL	62684
Paul	Taunton	(217) 585-2999	1362 Toronto Rd.	Springfield	IL	62791
Tony	Harris	(217) 546-3655	1929 West Iles Road.	Springfield	IL	62704
Gary	Meyer	(847) 551-3690	4640 West Main Street	West Dundee	IL	60118
Kent	Connell	(815) 338-7627	1400 North Seminary Ave	Woodstock	IL	60098
Greg	Mooneyham	(765) 364-9400	1883 US Highway 231 South	Crawfordsville	IN	47933
Greg	Mooneyham	(317) 745-5330	779 East Main Street	Danville	IN	46122
Greg	Mooneyham	(765) 654-7627	1419 East Wabash Street	Frankfort	IN	46041
Greg	Mooneyham	(765) 653-4000	1752 Indianapolis Road	Greencastle	IN	46135
David Michael (Mike)	Coyle	(812) 283-7627	2903 East 10th Street	Jeffersonville	IN	47130

Franchisee-First	Franchisee-Last	Club-Phone	Club-Address	Club-City	Club-State	Club-Zip
Regina	Brooks	(765) 448-3219	3830 State Route 26 E.	Lafayette	IN	47905
Tony	Gilgenbach	(812) 680-4570	1119 W. Tipton St.	Seymour	IN	47274
Regina	Brooks	(765) 463-3219	2060 US 52	West-Lafayette	IN	47906
Jeff and Lisa	Sheets	(317) 867-7627	220 West 161st Street	Westfield	IN	46074
Mathew	Parrott	(913) 367-1511	409 Commercial Street	Atchison	KS	66002
Matt	Rhodes	(913) 724-2424	15604 Pinchurst Dr.	Basehor	KS	66007
Paul	Bennett	(785) 842-7627	1800 E 23rd St. Ste. C	Lawrence	KS	66046
Christopher	Weir	(913) 829-7627	14162 W. 119th St.	Olathe	KS	66062
Tony	Swanson	(913) 764-0400	16587 W. 151st Street	Olathe	KS	66062
Paul	Bennett	(913) 393-0029	11172 S. Lone Elm Rd.	Olathe	KS	66061
Jerry	Gordey	(913) 451-7627	11118 Antioch Rd	Overland Park	KS	66210
Matthew	Parrott	(913) 221-0722	8819 Metcalf Ave.	Overland Park	KS	66212
Matt	Rhodes	(913) 441-9496	5437 Roberts Street	Shawnee	KS	66226
Paul	Bennett	(913) 686-2027	21231 W. 223rd. Street	Spring Hill	KS	66083
Larry and Cherylene	Brewer	(270) 422-2225	526 By Pass Rd.	Brandenburg	KY	40108
Erin	Strode	(502) 241-6282	6003 Pleasant Colony Ct	Crestwood	KY	40014
Dan and Chanin	Roszkowski	(859) 586-6100	1990 North Bend Rd.	Hebron	KY	41048
Austin and Kayla	McCown	(270) 358-5417	83 Shawnee Drive	Hodgenville	KY	42748
Erin	Strode	(502) 222-2122	1212 Market Street	La Grange	KY	40031
David	Floyd	(502) 839-0030	1004 Bypass North	Lawrenceburg	KY	40342
Jerry	Hardesty	(270) 200-1352	1907 Elizabethtown Road	Leitchfield	KY	42754
Jim	Benson	(859) 271-8210	4384 Clearwater Way	Lexington	KY	40515
Ben	Cowan	(859) 226-2935	129 Towne Center Drive	Lexington	KY	40511
Carl	Millsap	(502) 618-2080	7517 Outer Loop	Louisville	KY	40228
Terry	Walsh	(502) 409-6900	9815 Brownsboro Rd.	Louisville	KY	40241
Paul	Webb	(502) 426-9848	8105 LaGrange Road	Louisville	KY	40222
Paul	Webb	(502) 240-0029	3831 Ruckriegel Parkway	Louisville	KY	40299
April	Holmgren-Smith	(502) 995-3261	10105 Dixie Highway	Louisville	KY	40272
Chad	Shankle	(270) 247-2424	1257 Paris Road	Mayfield	KY	42066
Steve & Amy	Brannock	(859) 497-4003	660 Maysville Road	Mount Sterling	KY	40353
Chad	Young	(270) 443-0900	3215 Irvin Cobb Dr.	Paducah	KY	42003
Daniel	Farr	(270) 908-0311	2540 Lone Oak Rd.	Paducah	KY	42003
Mark	Pichea	(502) 228-7275	6031 Timber Ridge Dr	Prospect	KY	40059
David and Tamara	Ohler	(270) 351-1348	147 E. Lincoln Trail	Radcliff	KY	40160
Robert and Staci	Young	(859) 879-3575	479 Lexington Rd.	Versailles	KY	40383
Erie	Robicheaux	(337) 893-0009	109 Rue Centre Suite 3	Abbeville	LA	70510
Greg	Mooneyham	(225) 751-0121	14241 Coursey Blvd.	Baton Rouge	LA	70809
Chuck and Cathy	Decker	(225) 751-1881	17002 Jefferson Hwy	Baton Rouge	LA	70817
Mike	Brown	(225) 615-7936	257 Lee Drive	Baton Rouge	LA	70808
Terry	Neuville	(225) 308-2018	7731 Perkins Rd.	Baton Rouge	LA	70810
Erie	Robicheaux	(225) 767-6271	9828 Bluebonnet Blvd. Suite G	Baton Rouge	LA	70810
Joshua	Borges	(504) 392-9828	102 Woodland Hwy.	Belle Chasse	LA	70037
John	Lejeune Jr.	(985) 732-1774	401 Austin Street	Bogalusa	LA	70427
Erie	Robicheaux	(337) 839-8277	219 St. Nazaire Rd.	Broussard	LA	70518
Jason	Leaphart	(225) 261-6119	18513 Magnolia Bridge Road	Central	LA	70739
Mike	Brown	(225) 261-5008	14395 Greenwell Springs Road	Greenwell Springs	LA	70739
Greg	Mooneyham	(225) 791-0100	34130 N LA Highway 16	Denham Springs	LA	70706
Joseph	Mallett	(225) 665-0272	1217 N. Range Ave.	Denham Springs	LA	70726
Michelle	Vasquez	(318) 368-4878	787 Sterlington Hwy	Farmerville	LA	71241
Victor and Candice	Lockwood	(225) 644-1297	625 South Burnside Ave.	Gonzales	LA	70737
Jason	Roberts	(225) 622-9999	14505 Hwy. 44	Gonzales	LA	70737
Victor and Candice	Lockwood	(225) 474-8208	6473 Hwy. 44	Gonzales	LA	70737
Greg	Mooneyham	(504) 301-1289	3700 Lapalco Blvd.	Harvey	LA	70058
Elliot	Sarpy	(504) 305-6220	910 W. Esplanade Ave.	Kenner	LA	70065
John	Lejeune Jr.	(985) 882-4344	27397 Highway 190	Lacombe	LA	70445
Charles	Soprano	(337) 232-1955	2800 W. Pinhook	Lafayette	LA	70508
Erie	Robicheaux	(337) 456-7983	2425 W. Congress St.	Lafayette	LA	70506
John and Lisa	Foret	(337) 478-4525	2724 Country Club Rd.	Lake Charles	LA	70605
Rodney and Tish	Boudreaux	(985) 785-1718	12807 Hwy. 90	Luling	LA	70070
Joe	Zimmerman	(985) 674-7627	3441 East Causeway Approach	Mandeville	LA	70448
Adam	Correll	(504) 304-7321	3501 Severn Ave.	Metairie	LA	70002
Adam	Correll	(504) 883-0309	4540 West Napoleon Ave.	Metairie	LA	70001
Sam and Laura	Watts	(337) 365-1116	722 E Admiral Doyle Dr	New Iberia	LA	70560
Matt	Schnauder	(504) 304-3638	785 Harrison Ave.	New Orleans	LA	70124
Lucas	Babin	(225) 638-7627	1320 Hospital Road Ste 200	New Roads	LA	70760
Victor and Candice	Lockwood	(225) 622-7627	40306 Highway 42	Galvez	LA	70769
Paul	LeBoeuf	(985) 532-2204	4840 Hwy 1	Raceland	LA	70394

Franchisee-First	Franchisee-Last	Club-Phone	Club-Address	Club-City	Club-State	Club-Zip
Greg	Mooneyham	(504) 575-3000	1640 Hickory Ave.	Harahan	LA	70123
Kimberly	Rodriguez	(504) 305-4668	151 Almedia Rd.	St. Rose	LA	70087
Matt	Boullion	(337) 528-6933	1003 South Beglis Pkwy	Sulphur	LA	70663
Jason	Leaphart	(225) 372-2003	28977 Walker South Rd.	Walker	LA	70785
Ben	Anderson	(504) 348-4242	1401 Westbank Exp. Blvd. Suite 105	Westwego	LA	70094
Charles	Soprano	(337) 856-6564	803 St. Blaise Lane	Youngsville	LA	70592
Mike	Brown	(225) 654-5528	205027 Old Scenic Highway	Zachary	LA	70791
Craig	Watson	(318) 336-5474	1909 Carter St.	Vidalia	LA	71373
Alex	Tonelli	(413) 529-2200	39 Union Street	Easthampton	MA	1027
David	Garvey	(413) 532-7627	506 Westfield Road	Holyoke	MA	1040
Rob	Mercurio	(508) 802-4418	855 Broadway Rt. 138	Raynham	MA	2767
Elaine	Vakalopoulos	(508) 833-7627	331 Cotuit Road	Sandwich	MA	2563
Dan	Fadden	(508) 791-7627	1000 Grafton St.	Worcester	MA	1604
Greg	Mooneyham	(410) 638-0456	1517-B Rock Spring Road	Forest Hill	MD	21050
Bill & Karen	Gempp	(410) 374-6155	2315 Hanover Pike	Hampstead	MD	21074
Greg	Mooneyham	(410) 939-9595	2015 E Pulaski Highway	Havre de Grace	MD	21078
Alex	Tonelli	(410) 679-1064	413 Pulaski Hwy.	Joppa	MD	21085
Steve	Greathouse	(410) 850-7627	529 S. Camp Meade Rd.	Linthicum Heights	MD	21090
Tim and Carla	Jundt	(207) 989-7070	242 State St.	Brewer	ME	4412
Julie and Seth	Umel	(207) 934-6136	2 Cascade Rd.	Old Orchard Beach	ME	4064
Mark	Jellison	(207) 799-0864	747 Broadway	South Portland	ME	4106
Doug	Milam	(616) 895-2176	6101 Lake Michigan Dr.	Allendale	MI	49401
Brad	Lazorka	(989) 303-1010	2850 Cheesman Road	Alma	MI	48801
Ryan	Cook	(616) 635-2363	746 4 Mile Road North West	Comstock Park	MI	49321
Martin	Buzenberg	(734) 325-1707	9612 Belleville Rd.	Belleville	MI	48111
Ryan	Lothian	(616) 719-4577	2355 Belmont Center Drive	Belmont	MI	49306
Matt	Espinosa	(810) 213-6724	5515 Davison Rd.	Burton	MI	48509
Brian	Mulder	(616) 878-1111	2492 84th Street SW	Byron Center	MI	49315
Ryan	Cook	(616) 536-2662	9321 Cherry Valley Ave.	Caledonia	MI	49316
Robert	Thomas	(734) 398-7627	4011 S Canton Center Rd	Canton Twp.	MI	48188
Maris & R.J.	Brennan	(517) 541-3483	515 Lansing Rd.	Charlotte	MI	48813
Tom and Kara	Grasso	(989) 845-1500	901 West Broad Street	Chesaning	MI	48616
Ron	Kulenkamp	(248) 625-2100	5900 Sashabaw Rd.	Clarkston	MI	48346
Tom and Kara	Grasso	(810) 547-1666	425 W. Vienna St	Clio	MI	48420
Ryan	Cook	(616) 997-7627	1136 West Randall Road	Coopersville	MI	49404
Steve and Holly	Erb	(989) 494-4299	2500 East M-21	Corunna	MI	48817
Randy	Shields	(734) 426-2655	7007 Dexter-Ann Arbor Road	Dexter	MI	48130
Lynne	PolSELLI	(734) 529-7627	107 Waterstradt Commerce Drive	Dundee	MI	48131
George	Zerka	(810) 275-1250	G-1381 W. Bristol Road	Flint	MI	48507
Tom and Kara	Grasso	(810) 867-4132	6429 W Pierson Road	Flushing	MI	48433
James	Risk	(989) 705-7627	780 Edelweiss Village	Gaylord	MI	49735
Mark	Pasma	(616) 669-9100	3715 Baldwin St.	Hudsonville	MI	49426
John	Blakeslee	(810) 694-4000	4501 East Hill Road	Grand Blanc	MI	48439
Clair	Vanderzwaag	(616) 607-8196	13040 US 31	Grand Haven	MI	49417
Maris & R.J.	Brennan	(517) 627-3481	607 E Saginaw Hwy	Grand Ledge	MI	48837
Ryan	Cook	(616) 949-2000	5500 Cascade Road	Grand Rapids	MI	49546
Brian	Mulder	(616) 453-6666	2056 Lake Michigan Dr. NW	Grand Rapids	MI	49504
Ryan	Cook	(616) 942-5600	855 Michigan Street	Grand Rapids	MI	49503
Ryan	Cook	(616) 361-1600	1600 E Beltline Ave. NE	Grand Rapids	MI	49525
Mark	Pasma	(616) 534-7627	4830 Wilson Ave. Suite 610	Grandville	MI	49418
Paula	Bondarenko	(989) 348-3900	8307 West M72	Grayling	MI	49738
Ryan	Lothian	(616) 828-5997	701 S. Greenville West Dr.	Greenville	MI	48838
Greg	Davies	(586) 601-5335	26110 Crocker Blvd.	Harrison Township	MI	48045
Matt	Espinosa	(810) 632-5977	11333 Highland Road	Hartland	MI	48353
Dennis	Kloss	(517) 339-7627	1630 Haslett Rd	Haslett	MI	48840
Steven	Kwapisz	(248) 714-9686	2825 East Highland Rd.	Highland	MI	48356
Douglas	Slagh	(616) 741-9380	12059 Felch St.	Holland	MI	49424
Douglas	Slagh	(616) 355-1070	1153 Washington Ave.	Holland	MI	49423
Brian	Feldman	(248) 634-2000	15213 N. Holly Rd	Holly	MI	48442
Joe	Garcia	(517) 889-5000	2040 North Aurelius Road	Holt	MI	48842
Brad and Erin	Halonon	(906) 483-0310	850 W. Sharon Ave	Houghton	MI	49931
Brad	Ebersole	(517) 546-1200	1455 N. Michigan Av.	Howell	MI	48843
Mark	Pasma	(616) 777-1345	5696 Balsam Drive	Hudsonville	MI	49426
Jenny	Baldwin	(616) 522-3500	3192 Commerce Lane	Ionia	MI	48846
Allen	Metcalfe	(906) 364-7687	629 West Cloverland Dr.	Ironwood	MI	49938
Robert	Pringle	(517) 782-1001	1527 Horton Road	Jackson	MI	49203
Joe	Garcia	(269) 903-2640	4209 Portage Road	Kalamazoo	MI	49001

Franchisee-First	Franchisee-Last	Club-Phone	Club-Address	Club-City	Club-State	Club-Zip
Joe	Garcia	(269) 903-2650	2026 Parkview Ave.	Kalamazoo	MI	49008
Ryan	Cook	(616) 554-3200	7199 Kalamazoo Ave.-SE	Caledonia	MI	49316
Brian	Feldman	(810) 735-3375	614 W Broad St.	Linden	MI	48451
Ryan	Lothian	(616) 987-4000	2173 West Main St.	Lowell	MI	49331
Robert	Mahaney	(906) 228-7627	3226 US 41 West	Marquette	MI	49855
Robert	Mahaney	(906) 226-7627	153 W. Washington St.	Marquette	MI	49855
Ryan	Carter	(517) 244-0300	409 North Cedar Road	Mason	MI	48854
Tony & Theresa	Jones	(989) 835-7627	1625 E. Wheeler St.	Midland	MI	48642
James	Risk	(734) 457-1799	1539 Telegraph Road	Monroe	MI	48162
Cynthia	Westra	(231) 733-0429	950 W. Norton Ave	Norton-Shores	MI	49441
Sue	Hewitt	(248) 377-2294	4918 North Adams Rd.	Oakland Township	MI	48306
Jim	Baldwin	(517) 347-4147	3552 Meridian Crossing Dr.	Okemos	MI	48864
Ron	Kulenkamp	(248) 969-7627	972 N. Lapeer Road	Oxford	MI	48371
Randy	Shields	(734) 648-0424	1337 E. M-36	Pinckney	MI	48169
Anthony	Baron	(734) 207-2000	521 Ann Arbor Rd.	Plymouth	MI	48170
Ryan	Cook	(269) 327-7627	641 Romence Rd.	Portage	MI	49024
Steven	Kwapisz	(586) 443-4437	26700 Gratiot Ave	Roseville	MI	48066
Dave	Vaillancourt	(734) 429-4567	1359 East Michigan Ave.	Saline	MI	48176
Brian	Mulder	(616) 205-5700	630 S State St.	Sparta	MI	49345
Cynthia	Westra	(616) 846-7627	414 W. Savidge Street	Spring Lake	MI	49456
Mark	Pasma	(989) 227-8000	2429 Ontario Drive	St. Johns	MI	48879
Ed	Szabunia	(586) 532-7800	42918 Schoenherr Rd	Sterling Heights	MI	48313
John	Blakeslee	(810) 213-4633	9136 Miller Rd.	Swartz Creek	MI	48473
Brian	Mulder	(269) 792-0000	150 Pine Street	Wayland	MI	49348
Mark	Pasma	(616) 931-4470	9479 Riley St.	Zeeland	MI	49464
Mark	Filas	(218) 927-1300	10 2nd Street NE	Aitkin	MN	56431
Cindy	Scherping	(320) 845-7888	1550 Railroad Ave	Albany	MN	56307
Kevin and Traci	Cook	(507) 377-1290	1641 Blake Ave.	Albert Lea	MN	56007
Gene	Stueven	(763) 391-7627	5262 Kyler Ave. NE	Albertville	MN	55301
Rick	Jones	(320) 762-8879	1804 South Broadway St.	Alexandria	MN	56308
Heather	Hasti	(320) 274-7627	990 Elm St. Suite 300	Annandale	MN	55302
Terry	Norton	(763) 433-9083	3841 St. Francis Blvd.	Anoka	MN	55303
Matt	Starr	(952) 322-4560	14050 Pilot Knob Rd. Unit 106	Apple Valley	MN	55124
Laura	Pioske	(507) 964-5664	428 West Main St.	Arlington	MN	55307
Michael	McElroy	(763) 262-5995	14275 Bank St.	Becker	MN	55308
Douglas	Berg	(952) 873-6663	320 Laredo St. Unit 1	Belle Plaine	MN	56011
Josh	Wilde	(218) 444-9163	3835 Supreme Ct. NW	Bemidji	MN	56601
Jim	Lindahl	(320) 843-2127	110 14th Street South	Benson	MN	56215
Faamati	Winey	(763) 862-3324	10950 Club West Parkway	Blaine	MN	55449
Dave	Kleinfehn	(952) 884-5166	10800 Nesbitt Ave. S	Bloomington	MN	55437
Dave	Kleinfehn	(952) 681-7296	8009 34th Ave South	Bloomington	MN	55425
Dave	Kleinfehn	(952) 746-4516	9505 Lyndale Ave South	Bloomington	MN	55420
Tim	Hanson	(218) 825-8100	1313 S. 6th St.	Brainerd	MN	56401
Jill	Nadeau	(763) 315-4689	8507 Jefferson Lane North	Brooklyn Park	MN	55445
Robin	Fox	(952) 736-1348	1024 County Road 42 East	Burnsville	MN	55337
Aaron	Callister	(507) 775-7627	1067 4th St. NE Suite 100	Byron	MN	55920
Craig	Lietha	(763) 552-7627	1820 Second Avenue	Cambridge	MN	55008
Aaron	Callister	(507) 263-8326	31265 County 24 Blvd.	Cannon Falls	MN	55009
John and Suzanne	Van Dyck	(763) 421-4463	12460 Champlin Drive	Champlin	MN	55316
Jay	Hancock	(952) 448-6500	700 North Chestnut St.	Chaska	MN	55318
Craig	Lietha	(320) 558-6088	800 Nelson Drive	Clearwater	MN	55320
Heather	Hasti	(320) 286-0030	500 West Cokato St.	Cokato	MN	55321
Melissa	Waalén	(320) 685-8836	20 Red River Ave. South	Cold Spring	MN	56320
Todd	Huna	(763) 786-7627	455 99th Ave. NW	Coon Rapids	MN	55433
Ben M.	Cowan	(651) 769-2944	8700 E. Point Douglas Rd S.	Cottage Grove	MN	55016
Barbara/Gabe	Arntson	(218) 281-7627	404 North Broadway	Crookston	MN	56716
Christina	Clark	(320) 275-2711	641 Parker Ave W	Dassel	MN	55325
Christina	Clark	(763) 972-9000	327 13th Street South	Delano	MN	55328
Todd	Huna	(218) 525-8363	4425 E. Superior St.	Duluth	MN	55804
Daniel	Kohl	(218) 727-2544	102 East Central Entrance	Duluth	MN	55811
Scott	Needham	(651) 289-3070	1960 Cliff Lake Rd. Suite 115	Eagan	MN	55122
Robbin	Ghere	(651) 204-0943	525 Diffley Rd.	Eagan	MN	55123
Scott	Needham	(651) 686-4991	1340 Duckwood Drive	Eagan	MN	55123
VINCE	CHARLES	(763) 434-5858	18447 Highway 65 NE	East Bethel	MN	55011
Herman	Jass	(952) 944-7627	8767 Columbine Rd.	Eden Prairie	MN	55344
Andrew	Wowchak	(952) 314-1499	5125 Edina Industrial Blvd.	Edina	MN	55439
John and Suzanne	Van Dyck	(763) 241-8387	19022 Freeport Ave.	Elk River	MN	55330



Franchisee-First	Franchisee-Last	Club-Phone	Club-Address	Club-City	Club-State	Club-Zip
Steve	Schultz	(218) 744-1000	324 Grant Ave.	Eveleth	MN	55734
Barrie and Donal	Maraseo	(651) 460-2220	18450 Pilot Knob Road	Farmington	MN	55024
Larry	Nadeau	(320) 968-4900	10-2nd Ave. W.	Foley	MN	56329
Faamati	Winey	(651) 464-3234	56 East Broadway	Forest Lake	MN	55025
Amrishi	Patel	(612) 388-2762	6528 University Ave NE	Fridley	MN	55432
Christina	Clark	(320) 864-5565	623-12th Street East Suite 1	Glencoe	MN	55336
Ben M.	Cowan	(763) 544-0055	687 Winnetka Ave N	Golden Valley	MN	55427
Terry	Norton	(651) 438-9309	275-33rd West St. Suite B	Hastings	MN	55033
Richard	Shaffer	(218) 262-1295	2518 E. Beltline	Hibbing	MN	55746
Jennifer	L'Allier	(952) 938-3456	15-8th Ave North	Hopkins	MN	55343
Christina	Clark	(320) 543-3450	613 8th Ave.	Howard Lake	MN	55349
Faamati	Winey	(651) 464-4833	14755 Victor Hugo Blvd.	Hugo	MN	55038
Christina	Clark	(320) 234-7627	114 Main Street North	Hutchinson	MN	55350
Barbara/Gabe	Arntson	(218) 283-0020	615 3rd Ave W	International Falls	MN	56649
Scott	Needham	(651) 455-5113	3056 East 65th St.	Inver Grove Heights	MN	55076
Craig	Lietha	(763) 444-3400	404 Whiskey Road	Isanti	MN	55040
Robin and Dan	Kohls	(507) 895-6700	136 S. Walnut St.	La Crescent	MN	55947
Kari	Beaupre	(651) 436-5481	356 S. St. Croix Trail	Lakeland	MN	55043
Matt	Starr	(952) 997-9753	7409-179th Street	Lakeville	MN	55044
Craig	Angell	(507) 357-2242	100 E. Minnesota St.	Le Center	MN	56057
Kevin	Oliver	(507) 665-4100	202 A Valleygreen Square	Le Sueur	MN	56058
Greg & Anne	Meehan	(651) 452-8111	991 Sibley Memorial Highway	Lilydale	MN	55118
VINCE	CHARLES	(651) 257-2348	12715 Lake Blvd.	Lindstrom	MN	55045
Faamati	Winey	(651) 415-9628	6511 Ware Rd. #180	Lino Lakes	MN	55014
Rod	Manderscheid	(320) 593-1429	27 East Depot St.	Litchfield	MN	55355
Mark & Tari	Shackleton	(651) 484-0428	2800 Rice St.	St. Paul	MN	55113
Cindy	Scherping	(320) 732-2296	220 Lake Street S	Long Prairie	MN	56347
Brad	Goettsch	(507) 744-3700	739 Ash Street	Lonsdale	MN	55046
Erica	Johnson	(763) 479-4449	145 Railway St. W.	Loretto	MN	55357
Jason	Herdegen	(763) 493-3488	9475 Garland Lane N.	Maple Grove	MN	55311
Brad	Miller	(320) 963-7627	220 State Highway 55	Maple Lake	MN	55358
Jered	Hokenson	(952) 373-4084	255 Ash Ave. N	Mayer	MN	55360
Renee	Anderson	(320) 256-7627	321 East Main Street	Melrose	MN	56352
Jon	Ferrell	(320) 282-2190	600 B State Hwy 23	Milaca	MN	56353
RALPH	DEGROSS	(612) 920-3385	4507 France Ave. South	Minneapolis	MN	55410
Kevin	Oliver	(612) 869-0085	5409 Penn Ave.	Minneapolis	MN	55419
Brian	Barthel	(612) 729-9562	3810 East 46th St.	Minneapolis	MN	55406
John and Suzanne	Van Dyck	(612) 338-3999	250 2nd Ave So	Minneapolis	MN	55401
John and Suzanne	Van Dyck	(612) 339-1991	625 4th Ave So	Minneapolis	MN	55415
Kevin	Oliver	(612) 824-4454	5409 Nicollet Ave. S	Minneapolis	MN	55419
Keith	Hokenson	(612) 746-4002	105 Broadway Street NE	Minneapolis	MN	55413
Herman	Jass	(952) 935-7627	5757 Sanibel Drive	Minnnetonka	MN	55343
Aaron	Callister	(952) 746-7627	14525 Highway 7	Minnnetonka	MN	55345
Chad & Kammie	Jackson	(320) 321-1348	1111 Black Oak Ave.	Montevideo	MN	56265
Diane and Troy	Domine	(507) 364-8050	300 1st St. North	Montgomery	MN	56069
Christina	Clark	(763) 675-6750	125 Nelson Blvd.	Montrose	MN	55363
Mike	Abrahamson	(218) 233-7627	814 30th Avenue	Moorhead	MN	56560
Michelle	Lelwica	(320) 585-6200	719 Atlantic Ave.	Morris	MN	56267
Peggy and Matthew	Van Hoomissen	(952) 758-9250	130 Main Street West	New Prague	MN	56071
Christina	Clark	(507) 359-8888	1704 Westridge Road	New Ulm	MN	56073
Patrik	Kiffmeyer	(651) 674-4153	6118 Main Street	North Branch	MN	55056
Jamie	Jerde	(507) 663-1777	1500 Clinton Lane	Northfield	MN	55057
Jay	Hancock	(952) 467-2680	308 Highway 212 West	Norwood Young America	MN	55368
Gaheez	Ghownwal	(651) 739-9766	1807 Geneva Ave. N	Oakdale	MN	55128
Tracy	Manderscheid	(320) 523-1700	106 N 9th St.	Olivia	MN	56277
Amy	Martinez	(507) 455-3500	1824 Cedar Ave. South	Owatonna	MN	55060
Brad	Miller	(320) 243-2100	970 Hwy 23	Paynesville	MN	56362
Michelle	Lelwica	(218) 568-5999	31108 Government Drive, #108	Pequot Lakes	MN	56472
Matt	Starr	(763) 231-0125	1400 County Road 101 N	Plymouth	MN	55447
Scott	Needham	(952) 440-1660	16731 Hwy 13 South	Prior Lake	MN	55372
Jamie	Jerde	(952) 226-3481	6880 Boudin Street	Prior Lake	MN	55372
Jacob	Del Pino	(651) 388-7774	3257 South Service Drive	Red Wing	MN	55066
David	Folz	(507) 627-7627	621 East Bridge St.	Redwood Falls	MN	56283
Deb	Seifert	(320) 584-2020	420 Division St.	Rice	MN	56367
Robin	Fox	(763) 390-1313	4070 Lakeland Ave. N.	Robbinsdale	MN	55422
Don and Nathan	Hartung	(507) 289-2124	2477 Clare Ln NE	Rochester	MN	55906
Erica	Johnson	(763) 267-7595	8022 Highway 55	Rockford	MN	55373

Franchisee-First	Franchisee-Last	Club-Phone	Club-Address	Club-City	Club State	Club Zip
Tracy	Manderscheid	(763)-428-2208	13635 Northdale Blvd.	Rogers	MN	55374
Jim	Holm	(651)-636-0405	2216 County Rd. D West	Roseville	MN	55112
Patrick	Kiffmeyer	(320)-358-0091	1170 West 4th Street	Rush City	MN	55069
Deb	Seifert	(320)-252-7627	809 10th Ave. N.	Sartell	MN	56377
Todd	Huna	(320)-351-7627	1190 Main Street South	Sauk-Centre	MN	56378
Nikki	Bradford	(320)-796-2424	300 S. Hwy 23	Spicer	MN	56288
VINCE	CHARLES	(763)-785-2348	8097 Highway 65 NE	Spring Lake Park	MN	55432
Terry	Norton	(952)-471-1114	4671 Shoreline Drive	Spring Park	MN	55384
Christina	Clark	(320)-259-0991	24086 State Highway 15	St. Augusta	MN	56301
Aaron	Callister	(952)-446-8879	4195 Main Street	St. Bonifacius	MN	55375
Michael	McElroy	(320)-252-2975	1026 4th Street SE	St. Cloud	MN	56304
Michael	McElroy	(320)-227-8047	305 5th Avenue South	St. Cloud	MN	56301
Deb	Seifert	(320)-363-7757	708 Elm St.	St. Joseph	MN	56374
Steven and Joy	Cherney	(952)-926-3040	5107 Minnetonka Blvd.	St. Louis Park	MN	55416
Gene	Stueven	(763)-497-7627	1 Central Avenue West	St. Michael	MN	55376
Ben-M.	Cowan	(651)-772-3118	1320 Maryland Avenue East	St. Paul	MN	55106
Ben-M.	Cowan	(651)-649-0000	2650 University Avenue West	St. Paul	MN	55114
Ben-M.	Cowan	(651)-646-2040	80 Snelling Ave N	St. Paul	MN	55104
Ben-M.	Cowan	(651)-646-7627	1557 West Larpentour Avenue	St. Paul	MN	55113
Cindy	Scherping	(218)-895-7627	106 NE 4th Street	Staples	MN	56479
Faamati	Winey	(651)-275-9628	1471 Stillwater Blvd.	Stillwater	MN	55082
Lynn	Anderson	(612)-823-1333	1207 Lagoon Ave	Minneapolis	MN	55408
Jay	Hancock	(952)-368-3004	1772 Steiger Lake Ln	Victoria	MN	55386
Logan	Haskins	(952)-442-3815	120 Vine St. S.	Waconia	MN	55387
Michael	McElroy	(320)-217-5858	1405 Division Street	Waite Park	MN	56387
Glen and Tracy	Hulley	(612)-221-2787	605 Lewis Ave. N	Watertown	MN	55388
Jeff and Shelly	Krueger	(651)-238-8853	1016 Smith Avenue South	West St. Paul	MN	55118
Kyle	Veenis	(651)-653-7627	4713 Hwy 61	White Bear Lake	MN	55110
Scott & Laurel	Brecher	(651)-770-3777	2676 County Road E	White Bear Lake	MN	55110
Kara	Schuster	(507)-454-7500	1213 Gilmore Ave.	Winona	MN	55987
Joseph and Deanna	Bruneau	(651)-501-7672	1750 Weir Drive	Woodbury	MN	55125
Mark & Tari	Shackleton	(651)-739-1320	9900 Valley Creek Road	Woodbury	MN	55125
Patrick	Kiffmeyer	(651)-462-9073	5377 266th St.	Wyoming	MN	55092
Aaron	Callister	(507)-732-7047	92 West 5th Street	Zumbrota	MN	55992
Misti	Andrade	(314)-533-7627	4477 Forest Park Ave.	St. Louis	MO	63108
George	Reed	(314)-317-9300	13379 Olive Blvd	Chesterfield	MO	63017
Mike	Tallis	(314)-875-0234	6451 Clayton Road	St. Louis	MO	63117
Mark	Schopp	(636)-337-7350	12878 Hwy 21	DeSoto	MO	63020
Gordon	Leftridge	(636)-587-3470	431 Meramec Blvd	Eureka	MO	63025
Mark	Schopp	(636)-282-4229	2855 Seckman	Imperial	MO	63052
Marc	Lewis	(816)-741-7766	6300 N. Chatham Avenue	Kansas City	MO	64151
Abby and Jerrell	Royal	(816)-436-7627	9572 N. McGee Street	Kansas City	MO	64155
Mark	Hirsch	(816)-623-9775	881 LeMans Lane	Lee's Summit	MO	64082
Jack & Sabrina	Cannon	(816)-524-8555	631 NE Woods Chapel Rd	Lee's Summit	MO	64064
Tracy and Matthew	Meyer	(660)-886-4455	807 Cherokee St	Marshall	MO	65340
Greg	Mooneyham	(417)-725-6656	830 West Mount Vernon Suite #7	Nixa	MO	65714
Scott & Cynthia	Wilcox	(636)-240-3934	1084 Tom Ginnever Ave.	O'Fallon	MO	63366
Ben	Pettinari	(314)-846-4414	6070 Telegraph Rd.	Oakville	MO	63129
Dave	Romine	(636)-257-7997	250 LaMar Parkway	Pacific	MO	63069
Brian	Sestak	(417)-889-7627	3659 East Sunshine	Springfield	MO	65809
Randy	Russell	(816)-500-5149	4311 Commonwealth Ct.	St. Joseph	MO	64507
Ron	Campbell	(573)-468-5656	575 Walmart Drive	Sullivan	MO	63080
Mark	Schopp	(636)-583-2259	29 Silo Drive	Union	MO	63084
Dave	Romine	(636)-432-0024	848 Washington Corners	Washington	MO	63090
Dave	Romine	(636)-745-8222	10 Wildeat Dr.	Wright City	MO	63390
Kyle	Mapes	(601)-992-7188	1149 Old Fannin Rd	Brandon	MS	39047
Dean	Cutrer	(601)-823-7080	939 Brookway Blvd.	Brookhaven	MS	39601
Michael	Carr	(662)-627-5511	650 Friars Point Road	Clarksdale	MS	38614
Ray	Barria	(601)-806-2686	3275 Hwy 49 Suite 10	Collins	MS	39428
Dave	Herbert	(601)-469-9215	1303 Highway 35 South	Forest	MS	39074
Brian	Wiese	(662)-294-8800	1218 Sunset Drive	Grenada	MS	38901
Kevin	Blum	(228)-539-2104	11010 Hwy 49	Gulfport	MS	39501
Andy	Stetelman	(601)-268-3958	3906 Hardy St.	Hattiesburg	MS	39402
Dean	Cutrer	(601)-684-1990	1056A Highway 98-51	McComb	MS	39648
Brad	Bounds	(601)-693-1818	2405 Hwy 39 North	Meridian	MS	39301
Craig	Watson	(601)-442-5454	347 D'evereaux Drive	Natchez	MS	39120
Todd	Bossier	(662)-259-2256	304 Heritage Drive	Oxford	MS	38655

Franchisee-First	Franchisee-Last	Club-Phone	Club-Address	Club-City	Club State	Club Zip
Todd	Bossier	(662) 550-4800	1903 B-University-Avenue	Oxford	MS	38655
David	Hilton	(228) 712-2660	2400 Denny Ave.	Pascagoula	MS	39567
Dave	Herbert	(769) 233-8249	200 Riverwind-East Dr.	Pearl	MS	39208
Brad	Bounds	(601) 582-7708	1229 Hwy 42	Petal	MS	39465
Keith & Daina	Nobles	(601) 383-4445	7048 Old-Canton Rd., Ste 1004	Ridgeland	MS	39157
Jack	Rickhof	(662) 323-5611	100 Starr Ave.	Starkville	MS	39759
Beth	McNamara	(406) 388-0433	207 West Main Street	Belgrade	MT	59714
Jim	Malmstrom	(406) 656-4309	1780 Shiloh Rd.	Billings	MT	59106
Doug	Broling	(406) 586-0240	85 West Kagy	Bozeman	MT	59715
Dennis and Teresa	Steinman	(406) 727-2077	2104 10th Avenue South	Great Falls	MT	59405
Dennis and Teresa	Steinman	(406) 761-4971	125 NW Bypass	Great Falls	MT	59404
Jim	Malmstrom	(406) 628-2919	413 SE 4th Street	Laurel	MT	59044
Rocky	Gillikin	(252) 728-3357	1718 Live Oak st	Beaufort	NC	28516
Victoria and Dan	Widman	(919) 960-6688	1848 Martin Luther King Jr. Blvd.	Chapel Hill	NC	27514
Victoria and Dan	Widman	(919) 942-7700	300 Market St. Suite 110	Chapel Hill	NC	27516
Henry	Kellem	(704) 542-0009	11914 Elm Lane	Charlotte	NC	28277
Edward	Ghaleb	(704) 523-4015	4805 Park Road	Charlotte	NC	28209
John	White	(704) 784-0678	6052 Bayfield Parkway	Concord	NC	28027
Victor & Amie	Cennamo	(704) 439-4543	11159 Davinci Drive	Davidson	NC	28036
Victor & Amie	Cennamo	(704) 895-7474	130 Harbour Place Drive	Davidson	NC	28036
Dennis	Howard	(252) 758-7627	2120 E Fire Tower Rd.	Greenville	NC	27858
Dennis	Litalien	(252) 652-6474	965 East Main Street	Havelock	NC	28532
Dennis	Litalien	(910) 329-0033	624 U. S. Highway 17 South	Holly Ridge	NC	28445
Ismael and Sarah	Ocasio	(910) 423-7627	3350 Footbridge Lane	Fayetteville	NC	28306
John	White	(704) 226-1315	1310 Wesley Chapel Rd.	Indian Trail	NC	28079
Mindy	Fairecloth	(336) 853-7627	4705 S NC Hwy 150	Lexington	NC	27295
Shawn	Thompson	(704) 821-1007	1365 Chestnut Lane	Matthews	NC	28104
Kristin	Hilton	(704) 624-8400	7427 MATTHEWS-MINT HILL RD	MINT HILL	NC	28227
Brent	Beasley	(704) 765-4208	655 Brawley School Road	Mooresville	NC	28117
Rocky	Gillikin	(252) 622-4222	2900 Arendell St	Morehead City	NC	28557
Dennis	Howard	(252) 636-9627	3960 Dr. Martin Luther King Jr. Blvd.	New Bern	NC	28562
Ken	Hammer	(252) 777-4349	6919 Hwy. 70 East	Newport	NC	28570
Paul	Benz	(336) 643-5501	1433 B (68 Place) Highway 68 North	Oak Ridge	NC	27310
Ken	Hammer	(252) 838-1196	704 Hwy 70 Otway	Beaufort	NC	28516
Lisa Marie	Impoco	(919) 545-0095	120 Lowes Drive	Pittsboro	NC	27312
Dave	Coutts	(919) 847-1441	1141 Falls River Ave	Raleigh	NC	27614
Tripp & Elyse	Drawdy	(704) 243-2935	3913 Providence Road S	Waxhaw	NC	28173
Mark	Decker	(919) 365-7627	2493 Wendell Blvd	Wendell	NC	27591
Nadir	Torres	(701) 751-7627	3111 N. 14th St.	Bismarck	ND	58503
Nadir	Torres	(701) 751-7777	809 West Interstate Ave.	Bismarck	ND	58503
Mike	Abrahamson	(701) 356-3651	4265 45th Street S.	Fargo	ND	58104
Gary	Opp	(701) 364-5545	1375 21st Ave N	Fargo	ND	58102
Renee	Anderson	(701) 757-7627	4571 South Washington Street	Grand Forks	ND	58201
Todd and Kristina	Lybeek	(701) 852-2424	401 40th Ave. SW	Minot	ND	58701
Todd and Kristina	Lybeek	(701) 845-0000	323 Central Ave. North	Valley City	ND	58072
Mike	Abrahamson	(701) 672-7627	403 Dakota Ave	Wahpeton	ND	58074
Mike	Abrahamson	(701) 356-3650	521 32nd Ave West	West Fargo	ND	58078
Mike	Abrahamson	(701) 356-1095	1525 32nd Ave. South	Fargo	ND	58103
Dennis	Bargen	(402) 564-1010	825 23rd St.	Columbus	NE	68601
Ashlee	Schneider	(308) 398-3488	217 E. Stolley Park Rd.	Grand Island	NE	68801
Barb	Collier	(402) 476-5444	5633 NW 1st Street, Suite #105	Lincoln	NE	68521
Megan	Gibbs	(402) 476-7627	4910 Old Cheney Road, Suite #1	Lincoln	NE	68516
Pat	Choutka	(402) 466-7627	4010 North 27th Street	Lincoln	NE	68521
Jay	Wischmeier	(402) 327-0182	1777 N 86th St.	Lincoln	NE	68505
Jay	Wischmeier	(402) 489-1123	5900 S 85th	Lincoln	NE	68526
Megan	Gibbs	(402) 261-5439	5633 South 16th Street	Lincoln-Southwest	NE	68512
Scott	Moore	(402) 646-2000	33 Main Street	Seward	NE	68434
Pat	Choutka	(402) 786-0234	13220 Callum Drive Suite 6	Waverly	NE	68462
David	Acker	(603) 671-7008	880 Central Street	Franklin	NH	3235
Arthur	Hirsch	(732) 290-7627	318 Lloyd Rd.	Aberdeen	NJ	7747
Paul	Schick	(609) 357-1177	1278 Yardville-Allentown Rd	Allentown	NJ	8501
Richard and Caroline	Hall	(908) 238-1915	1465 Route 31	Anandale	NJ	8801
Richard	Haig	(908) 363-1160	3150 Route 22	Branchburg	NJ	8876
Stephen	Frazier	(609) 534-5255	23202 Columbus Road, Suite A	Columbus-Mansfield	NJ	8022
John	Wood Jr	(856) 579-7199	1450 Clements Bridge Road	Deptford	NJ	8096
Chuck	Ercolano	(908) 806-0007	30 Royal Road	Flemington	NJ	8822
Mike & Adele	Foxwell	(609) 702-7627	1351 Route 38 W	Hainesport	NJ	8036



Franchisee-First	Franchisee-Last	Club-Phone	Club-Address	Club-City	Club-State	Club-Zip
Gail	Goldstein	(732) 521-1717	198 Buckelew Ave	Jamesburg	NJ	8831
Erie	Stillwachs	(201) 252-2536	115 Franklin Turnpike	Mahwah	NJ	7430
Tom	Conner	(856) 988-7627	795 Route 70 East	Marlton	NJ	8053
Lorraine	Lawson	(609) 328-3379	4 W. Roosevelt Blvd.	Marmora	NJ	8223
Mike & Adele	Foxwell	(609) 953-7627	7 Wilkins Station Rd	Medford	NJ	8055
Shari	McAtee	(973) 409-4299	5677 Berkshire Valley Road	Oak Ridge	NJ	7438
Douglas	Treger	(908) 454-1200	51 North Broad Street	Phillipsburg	NJ	8865
Kim	Parkins	(973) 575-0052	16 Route 46	Pine Brook	NJ	7058
Ajani	Malik	(609) 799-7800	5 Schalks Crossing Road	Plainsboro	NJ	8536
Kyle	Weller	(201) 301-0155	576 Bergen Blvd.	Ridgefield	NJ	7657
Ed	Fazio	(973) 556-5956	115 Skyline Dr	Ringwood	NJ	7456
Lorraine	Lawson	(609) 328-3379	3 Bethel Road	Somers Point	NJ	8244
Ajani	Malik	(732) 251-3348	404 Main Street	Spotswood	NJ	8884
Shari	McAtee	(973) 764-7627	514 State Route 515	Vernon	NJ	7462
John	Kedash	(973) 875-0600	455 State Route 23	Wantage	NJ	7461
Robert	Schmidt	(908) 320-4247	1515 Route 22 West	Watchung	NJ	7069
Shari	McAtee	(973) 506-4333	20 Marshall Hill Rd.	West Milford	NJ	7480
Ajani	Malik	(609) 371-7627	2025 Old Trenton Rd.	West Windsor	NJ	8550
Lynn	Nannemann	(505) 332-3944	7900 Carmel Ave. NE	Albuquerque	NM	87122
Lynn	Nannemann	(505) 839-1535	1530 Tramway Blvd. NE	Albuquerque	NM	87112
Lynn	Nannemann	(505) 890-5377	5740 Night Whisper NW	Albuquerque	NM	87114
Lisa	Cour	(505) 908-9978	300 Menaul Blvd NW	Albuquerque	NM	87107
Dennis	Maldonado	(505) 565-7711	1400 Main Street NW	Los Lunas	NM	87031
Denyse	Moore	(702) 731-4100	3350 Novat Street Suite 160	Las Vegas	NV	89129
Denyse	Moore	(702) 586-3089	8360 N. Decatur Blvd.	North Las Vegas	NV	89131
Denyse	Moore	(702) 433-7627	8011 N. Durango Dr.	Las Vegas	NV	89143
Jackie	Feddy	(702) 254-7627	9325 S. Cimarron #100	Las Vegas	NV	89178
Sandro	Cagnin	(518) 943-3232	321 Main St.	Catskill	NY	12414
Jim and Tina	Marzano	(518) 670-0050	821 Main St.	Clifton Park	NY	12065
Enrique	Viveros	(607) 973-2888	82 W Market St	Corning	NY	14830
Bill & Beth	Berry	(716) 947-9010	6950 Erie Rd.	Derby	NY	14047
Bridget	Kelley	(716) 655-6600	572 Main Street	East Aurora	NY	14052
Greg	Sivin	(631) 499-0005	3051 Jericho Turnpike	East Northport	NY	11731
Fred	Burghardt	(585) 398-7732	1560 State Route 332	Farmington	NY	14425
Jim and Tina	Marzano	(518) 792-0039	1340 Saratoga Rd	Gansevoort	NY	12831
Bridget	Kelley	(716) 775-8486	2055 Baseline Road	Grand Island	NY	14072
Steve	Brown	(914) 205-0030	251 S. Central Ave.	Hartsdale	NY	10530
Maritza	Lopez	(607) 739-1220	2898 Westinghouse Road	Horseheads	NY	14845
Scott	Bradish	(716) 661-3690	764 Foote Ave.	Jamestown	NY	14701
Scott	Bradish	(716) 338-9882	707 Fairmount Ave.	Jamestown	NY	14701
Maritza	Lopez	(585) 594-3348	4390 Buffalo Road	North Chili	NY	14514
Bridget	Kelley	(716) 508-8400	4180 North Buffalo Rd.	Orchard Park	NY	14127
Maritza	Lopez	(315) 279-1065	203 Lake St.	Penn Yan	NY	14527
David	Principino	(585) 571-4343	3892 Scottsville Rd.	Scottsville	NY	14546
Ed	Fazio	(845) 269-3333	32 South Liberty Drive	Stony Point	NY	10980
Paul	Hackett	(716) 201-4663	3976A Lockport Olcott Road	Lockport	NY	14094
Lorna	Graham	(914) 734-7627	3605 Crompond Rd	Cortlandt Manor	NY	10567
Robert	Miller	(330) 644-7627	3235 Manchester Road	Akron	OH	44319
Richard	Gleason	(440) 993-0033	3705 State Rd	Ashtabula	OH	44004
Patrick	McCoy	(330) 995-0795	317 East Garfield Rd	Aurora	OH	44202
Tony	Capuano	(614) 824-2082	2656 E. Main Street	Bexley	OH	43209
Ken and Karen	Schaeff	(330) 460-4446	2264 Locust Street	Canal Fulton	OH	44614
Jeff	Wendel	(567) 890-7627	909 East Wayne Street	Celina	OH	45822
Scott	Gerke	(513) 574-7627	6701 Ruwes Oak Dr.	Cincinnati	OH	45248
Daniel	Pierson	(513) 245-4966	15 East 7th St.	Cincinnati	OH	45202
Kipp	Edgington	(614) 299-9006	18 East Hubbard Avenue	Columbus-Short North	OH	43215
Ed	Carey	(614) 356-8389	5615 Woerner Temple Road	Dublin	OH	43017
Patrick	McCoy	(330) 527-8032	8289 Windham Street	Garrettsville	OH	44231
Tony	Capuano	(614) 754-7014	864 S Third St	Columbus	OH	43206
Kipp	Edgington	(614) 559-9955	1409 West 3rd Ave.	Grandview	OH	43212
Jeff	Wendel	(937) 547-3311	1317 Wagner Ave	Greenville	OH	45331
Scott & Mary	Bruney	(614) 777-9317	2467 Hilliard Rome Rd.	Hilliard	OH	43026
Paul	McGavin	(419) 491-4688	7111 Orchard Centre Drive	Holland	OH	43528
Dave	Miller	(330) 534-0101	123 East Liberty Street	Hubbard	OH	44425
Ross	Barry	(330) 474-2910	2500 Ohio 59	Kent	OH	44240
Marianne	Appel	(513) 480-0999	5952 S. State Route 48	Maineville	OH	45039
Marianne	Appel	(513) 229-7300	4200 Aero Drive	Mason	OH	45040

Franchisee-First	Franchisee-Last	Club-Phone	Club-Address	Club-City	Club-State	Club-Zip
Marvin	Brown	(937) 428-7627	9468 Springboro Pike	Miamisburg	OH	45342
Steve	Kearney	(513) 248-0063	1079-A State Route 28	Milford	OH	45150
Mike	Ballard	(937) 444-5230	127 North Point Drive	Mt. Orab	OH	45154
Raymond	Gagliardi	(614) 289-6300	9695 Johnstown Rd.	New Albany	OH	43054
Ken and Karen	Schaefer	(330) 825-0002	3300 Greenwich Rd.	Norton	OH	44203
Mark	Beach	(419) 697-7627	3555 Navarre Ave.	Oregon	OH	43616
Jeff	Wendel	(419) 678-7627	531 S. Eastern Av.	St. Henry	OH	45883
Kim	Wendel	(419) 300-9623	1182 Indiana Avenue	St. Marys	OH	45885
Patrick	McCoy	(330) 626-3882	9374 Market Square Drive	Streetsboro	OH	44241
Jack and Gayle	Staiger	(513) 988-8322	711 E. State Street	Trenton	OH	45067
Kipp	Edgington	(614) 824-5291	2080 Arlington Ave	Upper Arlington	OH	43221
Mark	McIntire	(937) 372-5500	40 S. Progress Drive	Xenia	OH	45385
Bill	Chilton	(360) 425-5900	7995 Darrow Rd.	Twinsburg	OH	44087
Brad & Lori	Lockwood	(918) 948-8433	7125 C South Yale Ave.	Tulsa	OK	74136
Isaac	Williams	(405) 603-7451	4415 North MacArthur Blvd.	Warr Acres	OK	73122
William	Keefer	(541) 928-6723	640 Hickory Street	Albany	OR	97321
Susan	Jansson	(541) 201-2444	310 Oak Street	Ashland	OR	97520
Matt	Barrett	(541) 389-2550	2753 NW Lolo Drive	Bend	OR	97702
Tim	Barrans	(541) 382-2348	2700 NE 4th St.	Bend	OR	97701
Matt	Barrett	(541) 389-2550	19550 Amber Meadow Drive.	Bend	OR	97702
Russ	Harshberger	(503) 266-5515	1109 SW 1st Avenue	Canby	OR	97013
Susan	Jansson	(541) 702-0700	650 G Street	Jacksonville	OR	97530
Leslie	Buckendorf	(503) 400-6344	5442 River Road North	Keizer	OR	97303
Terri	Esch	(503) 807-6274	6296 SW Meadows Rd.	Lake Oswego	OR	97035
Mike	Harris	(503) 379-0065	697 SW Keck Drive	McMinnville	OR	97128
Susan	Jansson	(541) 210-5888	930 North Phoenix Road	Medford	OR	97504
Russ	Harshberger	(503) 353-7627	4200 SE King Road	Milwaukie	OR	97222
Russ	Harshberger	(503) 656-2580	19703 S Highway 213	Oregon City	OR	97045
Duncan	Campbell	(503) 334-1887	7110 SE Milwaukie Ave.	Portland	OR	97202
William	Keefer	(503) 991-5053	4555 Liberty Rd.	Salem	OR	97302
Randy	Muir	(503) 991-5902	1124 Wallace Rd. North West Suite 140	Salem	OR	97304
Randy	Dyer	(503) 987-7060	33464 Havlik Road	Seapooose	OR	97056
Randy	Dyer	(503) 625-2700	16080 SW Tualatin-Sherwood Rd.	Sherwood	OR	97140
Susan	Jansson	(541) 512-6077	160 N. Pacific Hwy #8	Talent	OR	97540
David and Dawn	Hillen	(503) 746-7236	12264 SW Scholls Ferry Road	Tigard	OR	97223
David and Dawn	Hillen	(503) 645-7900	18335 NW West Union Road	Portland	OR	97229
Greg	Mooneyham	(814) 310-9966	228 E. Chestnut Ave	Altoona	PA	16601
Margie	Worrall	(610) 268-8100	921 Gap Newport Pike	Avondale	PA	19311
Stephen	Schwartz	(610) 588-5300	426 Blue Valley Drive	Bangor	PA	18013
Bonnie	Harmon	(717) 264-7627	89 St. Paul Dr.	Chambersburg	PA	17201
Janice	Bloeker	(484) 786-5132	118-120 Airport Road	Coatesville	PA	19320
Spesh	Robinson	(724) 707-0225	204 Memorial Blvd.	Connellsville	PA	15425
Lorry	Staub	(724) 553-5516	120 Graham Park Drive	Cranberry Township	PA	16066
John	Stockton	(610) 385-5555	180 Old Swede Rd.	Douglassville	PA	19518
Chris	Dowd	(610) 789-4646	1011 Pontiac Road	Drexel Hill	PA	19026
Greg	Mooneyham	(814) 310-4746	167 Glimcher Drive	Duncansville	PA	16635
Amy and Scott	Simonsen	(814) 314-8588	4059 Buffalo Road	Erie-Harborcreek	PA	16510
Sandy & Rich	Owens	(412) 821-7627	550 Butler Street	Etna	PA	15223
Bill	Liney	(610) 361-8232	45 W. Baltimore Pike	Glen Mills	PA	19342
Amy and Scott	Simonsen	(724) 452-9300	400 Perry Hwy	Harmony	PA	16037
Robert	Bahr	(717) 540-5414	2308 Patton Rd	Harrisburg	PA	17112
Dino and Debbie	Damico	(724) 744-7779	1075 Harrison City Export Rd.	Jeannette	PA	15644
Nigel	Green	(267) 263-1205	1540 Cowpath Rd.	Hatfield	PA	19440
Chris	Dowd	(610) 642-6200	2320 Haverford Road	Ardmore	PA	19003
Dino and Debbie	Damico	(724) 744-7775	4016 Route 130	Irwin	PA	15642
Greg	Mooneyham	(814) 310-4748	814 Scalp Ave.	Johnstown	PA	15904
Greg	Mooneyham	(814) 310-4750	1910 Minno Drive	Johnstown	PA	15905
Margie	Worrall	(484) 730-8070	162 Onix Drive	Kennett Square	PA	19348
Mike	Mettee	(724) 339-6100	#168 Hillcrest Shopping Center	Lower Burrell	PA	15068
David & Jodi	St. Pierre	(717) 426-1600	312 Honeysuckle Drive	Marietta	PA	17547
Lorry	Staub	(724) 687-0456	162 Brickyard Rd.	Mars	PA	16046
David & Jodi	St. Pierre	(717) 653-1044	763 East Main Street	Mount Joy	PA	17552
Ralph	Park	(814) 542-4242	1 West Shirley Street	Mount Union	PA	17066
Spesh	Robinson	(724) 204-8411	310 Countryside Plaza	Mt. Pleasant	PA	15666
Greg	Mooneyham	(484) 684-6629	316 East Johnson Hwy.	Norristown	PA	19401
Margie	Worrall	(484) 365-2533	603 Oxford Commons Dr.	Oxford	PA	19363

Franchisee-First	Franchisee-Last	Club-Phone	Club-Address	Club-City	Club-State	Club-Zip
Carl	Fish	(215) 257-8877	1143 N. 5th St.	Perkasie	PA	18944
Chris	Dowd	(610) 933-9050	785 Starr Street	Phoenixville	PA	19460
Sandy & Rich	Owens	(412) 837-2092	4721 McKnight Rd.	Pittsburgh	PA	15237
Mike	Mettee	(724) 325-1000	2800 Golden Mile Hwy	Pittsburgh	PA	15239
Darryl	Burden	(215) 536-7650	238 S. West End Blvd	Quakertown	PA	18951
Glenn	McEvoy	(412) 595-7879	4110 Brownsville Rd	South Park	PA	15129
Mike	Mettee	(412) 828-8800	120 Allegheny River Blvd.	Verona	PA	15147
Stephen	Schwartz	(610) 767-2616	200 S Best Ave.	Walnutport	PA	18088
Ray	Bristol	(717) 741-2348	180 Leader Heights Road	York	PA	17402
Timothy	Edmunds	(803) 462-9332	843 Polo Road	Columbia	SC	29223
Michael and Patricia	Crigler	(803) 802-7348	3150 Hwy 21	Fort Mill	SC	29715
Wendy	Dieterlen	(843) 856-3600	1039 Hwy 41	Mt. Pleasant	SC	29466
Rick	Jones	(605) 262-7627	1601 6th Avenue SE	Aberdeen	SD	57401
Rick	Jones	(605) 692-7627	1009 Main Ave. South	Brookings	SD	57006
John	Hemmingstad	(605) 232-8713	317 Dakota Dunes Blvd.	North Sioux City	SD	57049
Jim	Freyensee	(605) 716-7627	5622 Sheridan Lake Road #106	Rapid City	SD	57702
John	Tschetter	(605) 791-5313	1565 Haines Ave.	Rapid City	SD	57701
Bruce	Anderson	(605) 274-0414	1516 S. Sycamore Ave.	Sioux Falls	SD	57110
Bruce	Anderson	(605) 275-0515	5014 S. Marion Road	Sioux Falls	SD	57106
Rick	Jones	(605) 878-7627	108 9th Ave SE	Watertown	SD	57201
Dan	DeFigio	(615) 332-7888	1309 Bell Rd.	Antioch	TN	37013
Jay and Jacquelyn	Hennessy	(615) 792-0400	232 Hutton Place Suite 146	Ashland City	TN	37015
Cynthia	Lunday	(901) 382-1125	6490 Memphis Arlington Rd	Bartlett	TN	38135
John	Cosgrove	(423) 855-8950	1667 Ooltewah Ringgold Road	Ooltewah	TN	37363
Joedy	Lenz	(901) 457-7351	9947 Wolf River Blvd.	Germantown	TN	38139
Horace	Chase	(731) 736-1352	398 Oil Well Road	Jackson	TN	38305
Clarence & Charlene	McMurray	(423) 232-7627	4307 N. Roan Street	Johnson City	TN	37615
Clarence & Charlene	McMurray	(423) 218-0005	413 Boones Creek Road	Jonesborough	TN	37659
Clark	hernandez	(423) 343-5145	2626 East Stone Drive	Kingsport	TN	37660
Teena	Fesperman	(865) 577-6633	7343 Chapman Highway	Knoxville	TN	37920
Bryan	Ware	(865) 693-4303	10673 Hardin Valley Rd.	Knoxville	TN	37932
John	Makela	(865) 357-2444	8651 Middlebrook Pike	Knoxville	TN	37923
Ryan	Ballard	(615) 793-9675	1925 Madison Square Blvd.	La Vergne	TN	37086
David	Karkau	(931) 450-3430	1216 Hillsboro Blvd.	Manchester	TN	37355
William and Elizabeth	Hancock Jr	(615) 288-2177	2037 North Mt. Juliet Road Suite 130	Mt. Juliet	TN	37122
Robert	Britton	(615) 962-8671	2812 Old Fort Pkwy	Murfreesboro	TN	37128
Steve	Wilkinson	(615) 353-7222	73 White Bridge Rd.	Nashville	TN	37205
Shawn	Millson	(615) 834-0088	6019 Nolensville Road	Nashville	TN	37211
Robert	Britton	(615) 355-0336	830 Nissan Drive Suite 120	Smyrna	TN	37167
Nick	Shelby	(931) 451-1199	2047 Wall Street	Spring Hill	TN	37174
David	Karkau	(931) 563-7653	1406 North Jackson St.	Tulahoma	TN	37388
Chad	Shankle	(731) 885-8777	320 West Reelfoot Avenue	Union City	TN	38261
Jimmy and Amanda	Simmons	(979) 319-7200	1802A North Velasco	Angleton	TX	77515
Chris	Abel	(817) 472-7477	6507 S. Cooper St.	Arlington	TX	76001
Kimberly	McCoy	(903) 670-3111	1395 East Tyler St.	Athens	TX	75751
Eric	Christman	(817) 868-7627	2101 Harwood Road	Bedford	TX	76021
Andrew	Campbell	(979) 776-7627	4282 Boonville Rd	Bryan	TX	77802
Kent and Kim	Dillow	(361) 906-1900	6534 Yorktown Blvd Suite 104	Corpus Christi	TX	78414
Kent and Kim	Dillow	(832) 838-4888	6500 N. FM 2100	Crosby	TX	77532
Stephen	Stremel	(972) 905-5072	6911 Frankford Road Suite 700	Dallas	TX	75252
Marty	Hill	(972) 572-9993	723 W Wheatland Rd	Duncanville	TX	75116
Wayne	Vinson	(979) 543-2348	3703 FM 2765	El Campo	TX	77437
Steve & Andrea	Bakley	(972) 875-8785	108 S. McKinney	Ennis	TX	75119
Wes and Wendi	Armstrong	(903) 455-7676	7215 Interstate 30	Greenville	TX	75402
James "Austin"	Brooks	(713) 721-7627	9002 Chimney Rock	Houston	TX	77096
Barry & Jeannie	White	(936) 755-3811	130 Colonel Etheredge Blvd.	Huntsville	TX	77340
Carlos	Garcia de la Cadena	(281) 360-2198	2510 Mills Branch Drive	Kingwood	TX	77345
Jeanne	Oliver	(512) 267-7627	7708 Lohmans Ford Rd	Lago Vista	TX	78645
Stephen	Rocheftort	(512) 275-6966	2501 Ranch Road 620 South	Lakeway	TX	78734
George	Van Cleave	(512) 528-9800	651 North US Hwy. 183	Leander	TX	78641
Neal	Janke	(512) 398-2454	605 State Park Road	Lockhart	TX	78644
Darren & Tonya	McDougald	(817) 727-7627	717 N. Holland Road	Mansfield	TX	76063
Eric	Christman	(972) 548-7100	500 North Custer Road	McKinney	TX	75071
Jana	Greening	(972) 222-6551	540 Clay Mathis Rd	Mesquite	TX	75181
Michael and Janette	Tibbs	(903) 638-2949	344 NW Loop 564	Mineola	TX	75773
Jordan	Black	(281) 971-3505	7746 Hwy. 6	Missouri City	TX	77459

Franchisee-First	Franchisee-Last	Club-Phone	Club-Address	Club-City	Club-State	Club-Zip
Joe and Laura	Dougharty	(936) 588-8955	15260 Highway 105 West	Montgomery	TX	77356
Carlos	Garcia de la Cadena	(936) 825-3000	1610 North Lasalle Street	Navasota	TX	77868
Thomas	Dunaway	(682) 888-1463	2800 Forestwood Drive, Suite 130	Arlington	TX	76006
Larry	Grigory	(903) 784-2575	2705 Clarksville St.	Paris	TX	75460
Justin	Grier	(281) 996-9800	3108 Dixie Farm Rd. Suite 112	Pearland	TX	77581
Rebecca	Ihde	(972) 576-0388	205 South Main St.	Red Oak	TX	75154
Stephen	Stremel	(972) 231-9888	4101 E. Renner Rd.	Richardson	TX	75082
Azim	Punjani	(832) 595-2606	9825 S. Mason Road	Richmond	TX	77406
John	Beatty	(956) 263-1974	2546 Central Palm Drive	Rio Grande City	TX	78582
Wayne	Vinson	(512) 430-4446	734 West Cameron Ave.	Rockdale	TX	76567
John	Beatty	(210) 912-7627	7715 Mainland Drive	San Antonio	TX	78250
Randy	Glatstein	(281) 778-7620	4309 Sienna Parkway	Missouri City	TX	77459
Rex	West	(281) 203-0088	8714 Spring Cypress Rd. Suite 100	Spring	TX	77379
John	Beatty	(830) 278-7627	2310 E. Main Street	Uvalde	TX	78801
Christian	Brantley	(936) 228-4133	12501 Canyon Falls Blvd.	Willis	TX	77318
Jeff	Hennessy	(435) 867-1301	2333 West Hwy 56	Cedar City	UT	84720
Paul	Palmer	(801) 733-7627	3418 East 7800 South	Cottonwood Heights	UT	84121
Kenny	Gertge	(801) 771-0070	2940 North Church Street	Layton	UT	84040
Kenny	Gertge	(801) 737-1570	2331 North Washington Blvd.	North Ogden	UT	84414
Paul	Palmer	(801) 253-6553	1728 West 12600 South	Riverton	UT	84065
Joy	Frome	(801) 392-5502	1479 East 5600 South	South Ogden	UT	84403
Kenny	Gertge	(801) 825-0191	2107 West 1700 South	Syracuse	UT	84075
Don	Lechner	(801) 282-2766	7759 South 4800 West	West Jordan	UT	84084
David	Rudy	(703) 299-9499	1315 King Street	Alexandria	VA	22314
David	Rudy	(703) 348-8507	1628 Belle View Blvd.	Alexandria	VA	22307
Joseph (PAUL)	Kilgore	(434) 381-6001	203 South Main Street	Amherst	VA	24521
Annette	Milletary	(804) 769-7627	7283 Richmond - Tappahannock Hwy.	Aylett	VA	23009
Andy	Stevenson	(540) 439-8088	11083 Marsh Road	Bealeton	VA	22712
Benjamin	Michaels	(804) 272-7627	3008 Stony Point Rd.	Richmond	VA	23235
Skip and Lori	Ramsey	(540) 261-1357	220 West 22nd Street	Buena Vista	VA	24416
Mike & Nancy	Hamdani	(434) 973-0587	241 Zan Road	Charlottesville	VA	22901
Wayne	Paul	(804) 526-0060	3107 Boulevard	Colonial Heights	VA	23834
Ahmed	Bencheikh	(703) 680-7627	6340 Hoadly Rd.	Manassas	VA	20112
David	Rudy	(540) 785-6773	5749 Plank Road	Fredericksburg	VA	22407
Derreck	Benoit	(571) 222-7627	7641 Somerset Crossing Dr.	Gainesville	VA	20155
Peggy	Jackson	(757) 288-3939	2088 Nickerson Blvd.	Hampton	VA	23663
Sean	Boyd	(703) 463-9886	13300 Franklin Farm Road	Herndon	VA	20171
Albert	Sehevey	(434) 270-8875	340 Town Center Lane Suite 300	Charlottesville	VA	22911
Tommy	Harris	(434) 384-6600	4119 Boonsboro Rd	Lynchburg	VA	24503
Billi Jo	Byers	(804) 883-0190	16609 Mountain Rd.	Montpelier	VA	23192
Dennis	Litalien	(757) 525-2333	12971 Jefferson Avenue	Newport News	VA	23608
Peggy	Jackson	(757) 659-0074	475 G Wythe Creek Road	Poquoson	VA	23662
Annette	Milletary	(804) 932-8877	3215 Rock Creek Villa Drive Suite B	Quinton	VA	23141
Frank	Jorgensen	(703) 542-5502	42015 Village Center Plaza	Stone Ridge	VA	20105
Craig	Hansen	(540) 337-4348	2857 Stuarts Draft Hwy	Stuarts Draft	VA	24477
Mark	Andrews	(540) 278-1760	2445 East Washington Ave.	Vinton	VA	24179
Timothy and Kelly	Johnston	(757) 229-7627	7500 Richmond Road, Suite D	Williamsburg	VA	23188
Jennifer	Blazek	(540) 545-7627	611 West Jubal Early Dr.	Winchester	VA	22601
Brad & Lori	Lockwood	(802) 476-0460	1400 US Rt. 302 Suite #3	Berlin	VT	5641
Brad & Lori	Lockwood	(802) 881-0707	1127 North Ave.	Burlington	VT	5408
Claire	Denton	(802) 888-3500	125 Munson Ave.	Morrisville	VT	5661
Nola	Watkins Chase	(802) 886-2407	363 River Street	Springfield	VT	5156
Doug	Vaughan	(360) 723-0100	2312 West Main Street	Battle Ground	WA	98604
Bradley and Linda	Petersen	(360) 377-1586	1600 NE Roseway Lane	Bremerton	WA	98311
Doug	Vaughan	(360) 844-5584	3316 NE Third Avenue	Camas	WA	98607
Jeff	Spencer	(509) 235-7627	2726 North 1st Street	Cheney	WA	99004
Dustin and Michelle	Roby	(509) 254-5065	1620 13th Street	Clarkston	WA	99403
Bryan	Jones	(425) 778-7627	505 5th Ave. S	Edmonds	WA	98020
Matt	Starr	(360) 200-1160	218 Kelso Dr.	Kelso	WA	98626
Robert & Katie Jo	Cunningham	(360) 244-7042	2705 Pacific Ave.	Long Beach	WA	98631
Matt	Starr	(360) 636-4321	1940 Cascade Way	Longview	WA	98632
Jeff	Spencer	(509) 209-8288	14017 N. Newport Hwy.	Spokane	WA	99021
Aleta	Gibson	(360) 930-6110	4016 N.E. Forest Rock Lane	Poulsbo	WA	98370
Teresa	Serio	(509) 334-7627	745 N. Grand Ave.	Pullman	WA	99163
Galen	Wickstrom	(425) 605-2241	11435 Avondale Rd NE	Redmond	WA	98052
Bill	Muyanja	(206) 299-1597	4714 42nd Ave. SW	Seattle	WA	98116

Franchisee-First	Franchisee-Last	Club-Phone	Club-Address	Club-City	Club-State	Club-Zip
Aleta	Gibson	(360)-698-2628	2400 NW Myhre Rd	Silverdale	WA	98383
Jeff	Spencer	(509)-473-9477	3717 South Grand Blvd.	Spokane	WA	99203
Jeff	Spencer	(509)-893-8880	13514 E. 32nd Ave.	Spokane Valley	WA	99206
Bill	Muyanja	(509)-468-2862	8801 N. Indian Trail	Spokane	WA	99208
John	Freese	(509)-534-1400	4727 N Division	Spokane	WA	99207
Dennis	Johnson	(425)-488-7030	15610 NE Woodinville-Duvall Rd	Woodinville	WA	98072
Doug	Vaughan	(360)-225-1111	1307 Lewis River Rd.	Woodland	WA	98674
Matt	Starr	(360)-425-5900	3707 Ocean Beach Hwy.	Longview	WA	98632
Roy	Ware	(715)-254-9652	930 Elden Ave.	Amery	WI	54001
Michael	Toelle	(715)-824-7627	167 North Main	Amherst	WI	54406
John	Dennison	(715)-358-2244	1575 Hwy. 51	Arbor Vitae	WI	54568
Allen	Metcalf	(715)-682-0141	1804 E Lakeshore Drive	Ashland	WI	54806
Erie	Butler	(715)-688-6888	570 10th Ave	Baldwin	WI	54002
Carrie	Steinberger	(414)-486-7627	2450 S. Kinnickinnic Ave.	Bay View	WI	53207
James	Deppoletto	(920)-356-0600	111 E. Burnett Street	Beaver Dam	WI	53916
Allex & Richard	Paul	(262)-373-0848	18905 W. Capitol Drive	Brookfield	WI	53045
Jim	Piowarezyk	(414)-354-3481	4301 W. Bradley Rd	Brown Deer	WI	53223
Greg	Mooneyham	(262)-767-1400	116 N Dodge Street	Burlington	WI	53105
Ben	Becker	(715)-723-0602	475 Chippewa Mall Drive #305	Chippewa Falls	WI	54729
Carrie	Steinberger	(262)-628-2800	N95W25901 County Rd Q	Colgate	WI	53017
Patriek	Maguire	(608)-413-0008	34 Glaciers Edge Square	Cross Plains	WI	53528
James John	Fink	(920)-337-4880	573 Swan Road	De Pere	WI	54115
James John	Fink	(920)-632-7165	1301 Lawrence Drive	De Pere (West)	WI	54115
Stacy and Chris	Redel	(262)-642-1645	2541 E. Main Street	East Troy	WI	53120
Chad	Schnacky	(715)-830-9999	3445 E. Hamilton Ave.	Eau Claire	WI	54701
Melanie	Becker	(262)-723-7627	10 W Evergreen Parkway	Elkhorn	WI	53121
Robert	Armstrong	(715)-273-3734	185 E Main #5	Ellsworth	WI	54011
Allex & Richard	Paul	(262)-993-7627	12888 W. Bluemound Road	Elm Grove	WI	53122
Greg	Mooneyham	(920)-924-7627	976 E. Johnson St.	Fond du Lac	WI	54935
Greg	Mooneyham	(920)-922-7627	512 N. Rolling Meadows Dr.	Fond du Lac	WI	54937
Lisa & Michael	Soto	(414)-425-6490	7158 S. 76th Street	Franklin	WI	53132
Jim and Jackie	Lagoon	(262)-884-7725	10009 Northwestern Ave	Franksville	WI	53126
Melanie	Becker	(920)-568-9610	825 Lexington Blvd. Ste 1	Ft. Atkinson	WI	53538
Greg	Mooneyham	(262)-377-7053	2263 Wisconsin Avenue	Grafton	WI	53024
David and Christine	Lerner	(262)-397-8726	1532 East Sumner Street	Hartford	WI	53027
Greg	Mooneyham	(262)-367-1800	365 Cottonwood	Hartland	WI	53029
Allen	Metcalf	(715)-934-2988	10342 Dyno Drive	Hayward	WI	54843
Erie	Butler	(715)-377-7950	824 Carmichael Rd.	Hudson	WI	54016
Kirk	Benson	(920)-674-3335	1507 South Ryan Ave.	Jefferson	WI	53549
Bruce	Marequenski	(262)-925-1277	5506 75th St.	Kenosha	WI	53142
Kara	Schuster	(608)-781-7627	1806 State Rd. 16	La Crosse	WI	54601
Robin and Dan	Kohls	(608)-788-5880	2432 State Road	La Crosse	WI	54601
Amy	Bloom	(608)-663-7627	2045 Atwood Ave.	Madison	WI	53704
Amy	Bloom	(608)-203-5170	737 University Row	Madison	WI	53705
Jim	Piowarezyk	(608)-655-8555	506 Plaza Drive	Marshall	WI	53559
Dan and Wendy	Swanson	(715)-387-3488	705 S. Central Ave.	Marshfield	WI	54449
Mike	Navis	(608)-847-7060	610 McEvoy Street	Mauston	WI	53948
Carrie	Steinberger	(262)-502-7627	N72W13400 Lund Ln.	Menomonee Falls	WI	53051
Chad	Schnacky	(715)-232-9999	1320 Broadway St. N	Menomonie	WI	54751
Mike & Rose	Purell	(262)-242-7627	6071 W Mequon Rd	Mequon	WI	53092
Debbie	Lewis	(651)-246-0337	104 2nd Ave NW	Milltown	WI	54858
Lynne	Valentine	(414)-483-1300	1020 W Layton Ave	Milwaukee	WI	53221
Carrie	Steinberger	(414)-276-7627	1815 North Farwell Ave.	Milwaukee	WI	53202
Gregg	Johnson	(715)-693-1440	445 Orbiting Drive Suite A	Mosinee	WI	54455
Thomas and Julianne	Lenz	(608)-437-7627	1855 Business Hwy. 18	Mount Horeb	WI	53572
Lisa & Michael	Soto	(262)-378-4314	1005 S. Main Street	Mukwonago	WI	53149
Jim	Piowarezyk	(414)-422-0123	S74W16853 Janesville Rd.	Muskego	WI	53150
Karl	Skoglund	(715)-246-9105	575 North Knowles Ave	New Richmond	WI	54017
Melanie	Becker	(262)-560-0506	1085 Summit Ave.	Oconomowoc	WI	53066
Darcy	Brookins	(715)-294-4554	2388 State Road 35	Oseola	WI	54020
Stephen R.	Mills	(262)-586-5424	7353 256th Ave	Paddock Lake	WI	53168
Brandon	Caselli	(262)-691-1616	615 Ryan Street	Pewaukee	WI	53072
Jen	Schweigert	(608)-348-5121	180 McGregor Plaza	Platteville	WI	53818
Kari	Beaupre	(715)-262-5003	1435 North Acres Rd.	Prescott	WI	54021
Pamela	Coy	(608)-768-7348	1587 East Main Street	Reedsburg	WI	53959
Erie	Butler	(715)-434-7627	225 South Main Street	Rice Lake	WI	54868
Robert	Armstrong	(715)-425-9330	1025 S. Main St.	River Falls	WI	54022



Franchisee-First	Franchisee-Last	Club-Phone	Club-Address	Club-City	Club-State	Club-Zip
Eric	Butler	(715) 749-9019	147 Jennifer-Rae Junction N	Roberts	WI	54023
Carol	Rosenstock	(608) 644-9159	934 Water Street	Sauk City	WI	53583
John	Hrusovszky	(715) 524-4348	1056 East Green Bay Street	Shawano	WI	54166
Joseph	Emery	(262) 644-7627	1026 E. Commerce Blvd.	Slinger	WI	53086
Michael and Sonja	Faust	(715) 247-5657	403 Laser Drive	Somerset	WI	54025
Brian	Erickson	(608) 269-1700	229 N. Black River St.	Sparta	WI	54656
Darey	Brookins	(715) 483-9765	135 South Washington Street	St. Croix Falls	WI	54024
Gered and Andrea	Acker	(715) 644-0197	611 South Broadway	Stanley	WI	54768
Greg	Mooneyham	(262) 246-9500	N69W25055 Indian Grass Lane	Sussex	WI	53089
Allen	Metcalf	(715) 453-5100	690 N 4th St.	Tomahawk	WI	54487
Charlie	Rish	(262) 862-2793	12033 Antioch Rd.	Trevor	WI	53179
Jim and Jackie	Lagoon	(262) 448-1283	406 North Lake	Twin Lakes	WI	53181
Greg	Mooneyham	(262) 558-6762	951 Main Street	Union Grove	WI	53182
Greg	Mooneyham	(262) 968-2233	200 West Summit Ave.	Wales	WI	53183
Stacy and Chris	Redel	(262) 514-4455	790 Cornerstone Crossing	Waterford	WI	53185
Kirk	Benson	(920) 262-1688	1307 Memorial Dr.	Watertown	WI	53098
James	Deppoletto	(262) 347-4717	2450 N. Grandview Blvd.	Waukesha	WI	53188
Michael	Toelle	(715) 942-2300	815 West Fulton Street	Waupaca	WI	54981
Gregg	Johnson	(715) 298-2009	1405 Kenwood Drive	Wausau	WI	54401
Greg	Mooneyham	(414) 259-1300	7226 W. North Ave.	Wauwatosa	WI	53213
Jim	Piwowarezyk	(414) 321-8800	7512 W. Oklahoma Ave.	West Allis	WI	53219
Brian	Erickson	(608) 786-2400	234 N. Leonard St	West Salem	WI	54669
Gregg	Johnson	(715) 241-8987	3910 Schofield Ave.	Weston	WI	54476
Melanie	Becker	(262) 473-7627	327 W. Center Street	Whitewater	WI	53190
Eric and Natalie	Tarr	(304) 840-0180	3554 Rt. 60 East	Barboursville	WV	25504
Eric and Natalie	Tarr	(304) 760-5660	3440 Winfield Rd.	Winfield	WV	25213
Dan	Andrews	(307) 237-6878	2135 East 12th Street	Casper	WY	82601
Jim	Malmstrom	(307) 673-0115	2240 Coffeen Ave.	Sheridan	WY	82801

**FRANCHISE AGREEMENT SIGNED BUT  
CLUB NOT OPEN AS OF NOVEMBER 30, 2013**

Franchisee-First Name	Franchisee-Last Name	Phone-Number	Franchisee-Address	Franchisee-City	Franchisee-State
Greg and Robin	Buttram	256-659-6462	1424 County Road 28	Crossville	AL
Bill	Rahn	(501) 993-6682	16724 Lone Pine Road	North Little Rock	AR
Jack	Krupka	(479) 531-2823	109 Woodloun Lane	Rogers	AR
Keith	Conrad	(612) 940-8207	1677 Constable Street	Prescott	AZ
Jacob	Walker	(928) 771-2155	3218 Lakeside Village Drive	Prescott	AZ
Joshua	Schaubach	(928) 502-2082	5842 East 39th Way	Yuma	AZ
Susan	Jansson	(707) 822-3488	4368 Ridgecrest Place	Eureka	CA
Susan	Jansson	(707) 822-3488	4368 Ridgecrest Place	Eureka	CA
Susan	Jansson	(707) 822-3488	4368 Ridgecrest Place	Eureka	CA
Susan	Jansson	(707) 822-3488	4368 Ridgecrest Place	Eureka	CA
Dana	Mason	(510) 552-0404	47315 Galindo Drive	Fremont	CA
Reginald	Chatman	-	705 Rainsong Lane	Redwood City	CA
Reginald	Chatman	-	705 Rainsong Lane	Redwood City	CA
David	Acker	(860) 490-3196	988 Fulton St.	San Francisco	CA
Mansoor	Ziauddin	(925) 829-9750	159 Avalon Ct.	San Ramon	CA
Bill	Clifford	(203) 470-8797	16 Woodcrest Lane	Danbury	CT
Jeff	Taylor	(203) 257-8622	86 Shadowood Road	Fairfield	CT
Josh	Livingston	(860) 581-4014	4 Mclean Street	Simsbury	CT
Josh	Livingston	(860) 581-4014	4 Mclean Street	Simsbury	CT
Erie	Gates	(240) 595-3140	11 Tuckerman Street NW	Washington	DC
Seth	Payne	(904) 309-1270	1765 Beach Ave.	Atlantic Beach	FL
Seth	Payne	(904) 309-1270	1765 Beach Ave.	Atlantic Beach	FL
Kate	Fiorvante	(954) 789-9322	1027 Arezzo Circle	Boynton Beach	FL
Barry	Sikes	(912) 401-5267	3547 53rd Ave West #118	Bradenton	FL
Robert	Schmidt	(786) 395-2207	16742 Cordova Court	Delray Beach	FL
Robert	Schmidt	(786) 395-2207	16742 Cordova Court	Delray Beach	FL
Jordan	Levy	(813) 245-4611	3641 W. Kennedy Blvd	Tampa	FL
Jordan	Levy	(813) 245-4611	3641 W. Kennedy Blvd	Tampa	FL
Michael	Knorr	(954) 385-3049	4010 Peppertree Drive	Weston	FL
Michael	Knorr	(954) 385-3049	4010 Peppertree Drive	Weston	FL
Michael	Knorr	(954) 385-3049	4010 Peppertree Drive	Weston	FL
Steve and Charlotte	McAdams	(770) 460-5166	105 Savannah Court	Fayetteville	GA

Franchisee-First Name	Franchisee-Last Name	Phone-Number	Franchisee-Address	Franchisee-City	Franchisee State
Steve and Charlotte	McAdams	(770) 460-5166	105 Savannah Court	Fayetteville	GA
W. Scott and Jennifer	Bohlke	-	2620 Clito Rd	Statesboro	GA
W. Scott and Jennifer	Bohlke	-	2620 Clito Rd	Statesboro	GA
Matt and Lisa	Cullins	(515) 480-2597	1513 NE Michael Drive	Ankeny	IA
Christine	Maduro	(319) 804-1128	1251 Seenie Place	Ellston	IA
Adam	Foster	(319) 654-6470	1711 Boyson Road	Hiawatha	IA
Suzanne & Jake	Velie	(515) 559-7140	4710 148th St.	Urbandale	IA
Renee	Graf	(312) 485-7475	320 Foxford Drive	Cary	IL
Katrina	Althaus	(309) 791-2559	204 S. Barrington Drive	Hampton	IL
Katrina	Althaus	(309) 791-2559	204 S. Barrington Drive	Hampton	IL
Dan	Dolan	(563) 570-1460	1717 Pleasant Prairie Road	Muscatine	IA
Dan	Dolan	(563) 570-1460	1717 Pleasant Prairie Road	Muscatine	IA
Dan	Dolan	(563) 570-1460	1717 Pleasant Prairie Road	Muscatine	IA
Dan	Dolan	(563) 570-1460	1717 Pleasant Prairie Road	Muscatine	IA
Doug	Brooks	317-858-9483	7732 Shagbark Ct.	Brownsbur	IN
Morgan	Griffith	(812) 427-2809	5525 Bursot Road	Vevay	IN
Matthew	Turner	(317) 403-0049	11912 Kelso Dr Unit 2	Zionsville	IN
Ben	Cowan	(859) 268-4503	2329 The Woods Lane	Lexington	KY
Steve	Walker	(859) 264-8424	4509 Verbena Park	Lexington	KY
Don	Howard	(859) 223-8164	212 Forest Trail	Nicholasville	KY
Don	Howard	(859) 223-8164	212 Forest Trail	Nicholasville	KY
Don	Howard	(859) 223-8164	212 Forest Trail	Nicholasville	KY
David and Tamara	Ohler	(270) 351-1933	129 Wintergreen Drive	Radcliff	KY
Scott	Caldwell	(318) 547-5690	4141 Jackson Street #115	Alexandria	LA
Blane and Rebecca	Ronquille	(504) 398-1029	113 East X Street	Belle Chasse	LA
Joseph	Mallett	(225) 665-0272	369 Janmar Street	Denham Springs	LA
Mike	Dupuy	(225) 622-1680	14491 Whispering Oaks	Gonzales	La
Louis "Chad"	Bergeron	225-715-9037	38205 East Lakeview Dr.	Prairieville	LA
David	Hilton	(504) 697-5504	1118 Breckenridge Drive	Slidell	LA
Jason	Knuth	(617) 585-4476	37 Russell Sreet #2	Plymouth	MA
David	Crowley	(978) 771-5311	118 Pine Ridge Road	Reading	MA
Neil	Burkinshaw	301-972-0725	13709 Charity Court	Germantown	MD
Ryan	Cook	(616) 822-2049	2608 Shagbark	Grand Rapids	Mi
Ryan	Cook	(616) 822-2049	2608 Shagbark	Grand Rapids	Mi
Douglas	Slagh	(616) 786-3677	431-142nd Ave	Holland	MI
Dave	Konye	(248) 939-0030	1441 Lakeside Drive	Howell	MI
Mark	Pasma	(616) 669-6310	2020 Chicago Drive	Jenison	MI
Mark	Pasma	(616) 669-6310	2020 Chicago Drive	Jenison	MI
Mark	Pasma	(616) 669-6310	2020 Chicago Drive	Jenison	MI
Joe	Garcia	(517) 381-0397	1462 Ivywood	Okemos	MI
Sue	Hewitt	(248) 505-7731	1484 Saddle Lane	Rochester Hills	MI
Sue	Hewitt	(248) 505-7731	1484 Saddle Lane	Rochester Hills	MI
Cynthia	Liekhus	(248) 608-1413	670 Whitney Drive	Rochester Hills	MI
Vince	Charles	(612) 810-3070	2560 28th Ave SW	Cambridge	MN
Christina	Clark	(320) 296-5100	74540 213th street	Dassel	MN
Derek	Hookom	(952) 769-7042	9501 Highview Drive	Eden Prairie	MN
Ben M.	Cowan	(612) 237-4681	15233 Wild Wings Court	Minnetonka	MN
Steve	Schultz	(218) 290-9967	8778 Merriitt Place	Mountain Iron	MN
Philip	Powell	(417) 850-3504	4550 Goldfinch Road	Joplin	MO
Lynda	Atwood	417-890-2681	1136 South Elmwood	Springfield	MO
Michael	Carr	(662) 902-8662	1015 Hopson-Pixley Rd	Clarksdale	MS
Dennis and Edna	Goldman	(601) 632-1151	1500 Roebuck	Meridian	MS
Dave	Herbert	(601) 832-8391	107 Dogwood Way	Pearl	MS
L.H	Gibson	(601) 276-2651	1062 Kori Lane	Summit	MS
Mark	Decker	(919) 656-0942	200 Vatersay Drive	Apex	NC
Mark	Decker	(919) 656-0942	200 Vatersay Drive	Apex	NC
John	Mullins	(808) 347-5802	203 Glade Str	Chapel Hill	NC
erie	durst	(608) 206-3962	1260 5th st	hickory	NC
Jeffrey	Abbott	336-497-4290	591 Nickel Creek Ct.	Kemersville	NC
Joseph	Holcomb	(919) 341-8587	609 Rodney Bay Crossing	Wake Forrest	NC
Joseph	Holcomb	(919) 341-8587	609 Rodney Bay Crossing	Wake Forrest	NC
Joseph	Holcomb	(919) 341-8587	609 Rodney Bay Crossing	Wake Forrest	NC
Nadir	Torres	(701) 220-1147	547 South 7th Street Suite 208	Bismark	ND
Dennis	Bargen	402-563-4144	2359 26th Ave, Box 206	Columbus	NE
Gail	Goldstein	(732) 754-7049	20 Redcoat Drive	East Brunswick	NJ
Shari	McAtee	(973) 545-2442	179 Clinton Road	Newfoundland	NJ
Chuck	Ereolano	(973) 702-7696	26 Glenwood Mountain Road	Sussex	NJ

Franchisee-First Name	Franchisee-Last Name	Phone-Number	Franchisee-Address	Franchisee-City	Franchisee-State
Richard (Rick)	Gross	(505) 507-7171	2004 Panada Drive SW	Los Lunas	NM
Dennis	Maldonado	(505) 620-6499	250 Calle Consuelo	Los Lunas	NM
Graham	Simpson	(702) 677-2705	The Ageless Zone	Reno	NV
Jim & Anne	Terry	(607) 974-7343	6 Garden Lane	Horseheads	NY
Atif	Rafiq	(631) 928-5577	2 Ryan Lane	Miller Place	NY
Stephen	Schwartz	(914) 596-2468	594 Broadway Suite 1106	New York	NY
Stephen	Schwartz	(914) 596-2468	594 Broadway Suite 1106	New York	NY
Stephen	Schwartz	(914) 596-2468	594 Broadway Suite 1106	New York	NY
Stephen	Schwartz	(914) 596-2468	594 Broadway Suite 1106	New York	NY
Stephen	Schwartz	(914) 596-2468	594 Broadway Suite 1106	New York	NY
Stephen	Schwartz	(914) 596-2468	594 Broadway Suite 1106	New York	NY
Don	Saladino	(212) 334-9537	88 Greenwich Street Apt. #609	NY	NY
Norman	Chapin	518-378-5587	699 Mountain Ave.	Purling	NY
Erie	Stillwachs	(917) 670-3083	18 Orchard Drive	Tarrytown	NY
Patrick	McCoy	(330) 998-5410	7760 OXgate Ct.	Hudson	OH
Patrick	McCoy	(330) 998-5410	7760 OXgate Ct.	Hudson	OH
Patrick	McCoy	(330) 998-5410	7760 OXgate Ct.	Hudson	OH
Joe	Anderson	(419) 903-0577	1772 Tucker Trail	Lewis Center	OH
Paul	McGavin	(330) 289-0875	2904 Plumbrook Drive	Maumee	OH
Paul	McGavin	(330) 289-0875	2904 Plumbrook Drive	Maumee	OH
Mark	Beach	419-343-9319	1503 S. Coy Rd	Oregon	OH
Mark	Beach	419-343-9319	1503 S. Coy Rd	Oregon	OH
Greg	Vauters	(541) 981-9208	1745 Elk Circle SW	Albany	OR
Greg	Vauters	(541) 981-9208	1745 Elk Circle SW	Albany	OR
Bill	Muyanja	(541) 760-1416	4401 NW Boxwood Dr.	Corvallis	OR
Linda	Foster	(610) 814-2598	3235 10th Street	Bethlehem Township	PA
Douglas	Treger	(215) 794-1830	5202 Bailey Crt Wst	Doylestown	PA
Douglas	Treger	(215) 794-1830	5202 Bailey Crt Wst	Doylestown	PA
Chris	Dowd	(908) 303-7760	26 Mill Road	Havertown	PA
Dennis	Frazier	(856) 237-6568	301 Byberry Road	Philadelphia	PA
Ian	McCormick	(601) 457-2076	7 Ayer Court	West Chester	PA
Ian	McCormick	(601) 457-2076	7 Ayer Court	West Chester	PA
Ian	McCormick	(601) 457-2076	7 Ayer Court	West Chester	PA
Timothy	Edmunds	(312) 848-9696	401 Grand National Ln	Elgin	SC
Timothy	Edmunds	(312) 848-9696	401 Grand National Ln	Elgin	SC
Teresa and Keith	Pinson	(931) 520-4426	PO Box 3616	Cookeville	TN
Wade and Karen	Walters	(615) 794-5836	1116 Kirkwood Drive	Franklin	TN
William and Elizabeth	Hancock Jr	(615) 288-2177	221 Harpeth Wood Drive	Nashville	TN
John	Cosgrove	(423) 485-1149	9830 Mountaineer Drive	Ooltewah	TN
Jaime	De Leon Jr	(409) 549-3696	3748 Charles Ave.	Groves	TX
Richard "Rick"	Martinez	(210) 279-9259	1306 Bobbins Ridge	San Antonio	TX
Richard "Rick"	Martinez	(210) 279-9259	1306 Bobbins Ridge	San Antonio	TX
Richard "Rick"	Martinez	(210) 279-9259	1306 Bobbins Ridge	San Antonio	TX
Christian	Brantley	325-436-9365	7041 Kingston Cove Lane	Willis	TX
Riek	Beaman	(972) 563-9961	11600 Hiram Rd	Wills Point	TX
Riek	Beaman	(972) 563-9961	11600 Hiram Rd	Wills Point	TX
Paul	Palmer	(702) 250-7975	1567 Prospect Lane	Alpine	UT
David	Rudy	(703) 627-6510	46 Wolfe Street	Alexandria	VA
Craig	Hansen	(615) 288-2177	1036 Susan Drive	Earlsville	VA
Sean	Boyd	(703) 401-5082	3274 Tayloe Ct	Oak Hill	VA
Brice	Leconte	-	12020 Sunrise Valley Drive	Reston	VA
Brice	Leconte	-	12020 Sunrise Valley Drive	Reston	VA
Robert	Bahr	(540) 383-9369	17932 New Market Rd.	Timberville	VA
Jennifer	Blazek	540-532-0392	117 Cammore Drive	Winchester	VA
Jennifer	Blazek	540-532-0392	117 Cammore Drive	Winchester	VA
Brad & Lori	Lockwood	(205) 563-5098	103 Pond View Circle	Berlin	VT
Dustin and Michelle	Roby	(509) 254-5065	1620 13th Street	Clarkston	WA
Dustin and Michelle	Roby	(509) 254-5065	1620 13th Street	Clarkston	WA
Dustin and Michelle	Roby	(509) 254-5065	1620 13th Street	Clarkston	WA
John	Freese	(509) 378-2408	1504 Rosena Ct.	Kennewick	WA
Darren & Kristen	Nelson	(503) 881-1148	3726 Lakeport Lane	Moses Lake	WA
Jeff	Spencer	(703) 798-5848	11113 E. Gertrude Dr.	Spokane	WA
Jeff	Spencer	(703) 798-5848	11113 E. Gertrude Dr.	Spokane	WA
Jeff	Spencer	(703) 798-5848	11113 E. Gertrude Dr.	Spokane	WA
James	Tully	(312) 961-1829	5615 SE Scenic Lane #100	Vancouver	WA
James John	Fink	(920) 405-0909	1128 Valley View Road	Green Bay	WI



Franchisee-First Name	Franchisee-Last Name	Phone-Number	Franchisee-Address	Franchisee-City	Franchisee-State
Alex & Richard	Paul	(262) 373-0848	215 W Maple Street, Unit 312	Milwaukee	WI
Erie and Natalie	Tarr	(304) 757-2500	530 Span Oaks Drive	Milton	WV
Erie and Natalie	Tarr	(304) 757-2500	530 Span Oaks Drive	Milton	WV
Frank	Jorgensen	(304) 872-3032	Bright Enterprises, 200 Greenbrier Road	Summersville	WV
Frank	Jorgensen	(304) 872-3032	Bright Enterprises, 200 Greenbrier Road	Summersville	WV
Frank	Jorgensen	(304) 872-3032	Bright Enterprises, 200 Greenbrier Road	Summersville	WV
Dan	Andrews	307-266-5354	3851 South Oak Street	Casper	WY
Dan	Andrews	307-266-5354	3851 South Oak Street	Casper	WY
Daniel	Dao	-	Calle B, Res. Plaza Alameda, Apt. 11-A	Caracas	-
Daniel	Dao	-	Calle B, Res. Plaza Alameda, Apt. 11-A	Caracas	-
Daniel	Dao	-	Calle B, Res. Plaza Alameda, Apt. 11-A	Caracas	-

**FRANCHISEES WHO LEFT THE SYSTEM  
DURING THE PERIOD BEGINNING JANUARY 1, 2013 THROUGH NOVEMBER 30, 2013**

Franchisee-First	Franchisee-Last	City	State	Franchisee-Phone
George	Faucette	Fayetteville	AR	479-510-1548
George	Faucette	Fayetteville	AR	479-510-1548
Tyrone	Smith	Tucson	AZ	520-250-3000
Tyrone	Smith	Tucson	AZ	520-250-3000
Trish and Chase	Duarte	Vail	AZ	520-762-3292
Cynthia and Robert	Breazeale	Folsom	CA	916-357-5050
Rod	Cotton	Santa Clara	CA	408-261-8499
Thomas	Loveall	Visalia	CA	559-735-0380
Michael and Sabrina	Monahan	Pleasant Hill	CA	(925) 349-9335
Michael and Sabrina	Monahan	Pleasant Hill	CA	(925) 349-9335
Vishal	Punj	Los Gatos	CA	(650) 726-3311
Vishal	Punj	Los Gatos	CA	(650) 726-3311
Anjulant "Dion"	Bailey	Hercules	CA	916-730-1809
Brian	Bennett	Pleasanton	CA	925-425-3889
Brian	Bennett	Pleasanton	CA	925-425-3889
Brian	Bennett	Pleasanton	CA	925-425-3889
Steve	Byron	Redondo Beach	CA	310-542-8171
Amber	Guidry	Encinitas	CA	504-908-0944
T. (Terence)	Heise	San Diego	CA	858-538-0333
T. (Terence)	Heise	San Diego	CA	858-538-0333
T. (Terence)	Heise	San Diego	CA	858-538-0333
Ben & Melody	Jackson	Selma	CA	559-891-7770
Ben & Melody	Jackson	Selma	CA	559-891-7770
Jeff	Kearns	Palm Springs	CA	760-218-5977
Jeff	Kearns	Palm Springs	CA	760-218-5977
Jeff	Kearns	Palm Springs	CA	760-218-5977
Melissa	Lackman	Santa Clarita	CA	-
Melissa	Lackman	Santa Clarita	CA	-
Melissa	Lackman	Santa Clarita	CA	-
Carol	Kauffman	Keenesburg	CO	303-961-3872
Jim	Brennan	Castle Rock	CO	303-688-5916
Kevin	Cochran	Denver	CO	(303) 625-3594
Kurt	Kempfer	Lonetree	CO	303-799-2688
Kurt	Kempfer	Lonetree	CO	303-799-2688
Kurt	Kempfer	Lonetree	CO	303-799-2688
Brad	St. Clair	Littleton	CO	720-524-1213
Brad	St. Clair	Littleton	CO	720-524-1213
Brian	Diebel	Silverthorne	CO	(303) 396-8745
Josh	Livingston	Simsbury	CT	860-217-0426
Bill	Horowitz	Enfield	CT	860-741-7759
Bill	Horowitz	Enfield	CT	860-741-7759
Bill	Horowitz	Enfield	CT	860-741-7759
Maurice & Norma	Mitchell	Norwalk	CT	203-846-4746
Maurice & Norma	Mitchell	Norwalk	CT	203-846-4746
Scott	Bethmann	Jacksonville	FL	904-992-1797
Scott	Bethmann	Jacksonville	FL	904-992-1797
Rick	Mansfield	Tarpon Springs	FL	727-937-9919
Rick	Mansfield	Tarpon Springs	FL	727-937-9919
Shannon	Peek	Jacksonville Beach	FL	904-838-3378
Marilyn	Rousseau	Davie	FL	(954) 424-0405

Franchisee First	Franchisee Last	City	State	Franchisee Phone
Bill	Drost	Lakeland	FL	863-647-1581 (work)
Bill	Drost	Lakeland	FL	863-647-1581 (work)
Bill	Drost	Lakeland	FL	863-647-1581 (work)
Bill	Drost	Lakeland	FL	863-647-1581 (work)
Bill	Drost	Lakeland	FL	863-647-1581 (work)
Manny	Lamazares	Miami Beach	FL	305-401-3012
Johnny	Postell	Plantation	FL	954-614-0656
Sergio & Francesca	Zavala	Riverview	FL	813-746-2419
Fred	Barber	Commeree	GA	706-367-2220
Fred	Barber	Commeree	GA	706-367-2220
Greg	Mooneyham	Atlanta	GA	404-624-1985
Greg	Mooneyham	Atlanta	GA	404-624-1985
Davey	Solomon	Hamilton	GA	706-576-5237
Art	Cain	Atlanta	GA	-
Art	Cain	Atlanta	GA	-
Tony	Holland	Hartsfield	GA	229-941-2680
Maria	Moffitt	Smyrna	Ga	(770) 437-9691
Maria	Moffitt	Smyrna	Ga	(770) 437-9691
Kimela	Mullins	Stone Mountain	GA	404-234-6516
Rolando	Outland	Alpharetta	GA	678-393-8363
Chad & Suzanne	Askelsen	Cambridge	IA	(515) 597-4098
Matt and Lisa	Cullins	Ankeny	IA	515-480-2597
Kevin	Puk	Johnston	IA	515-202-4444
Kevin	Puk	Johnston	IA	515-202-4444
Ryan	Sather	Spencer	IA	712-203-9000
Ryan	Sather	Spencer	IA	712-203-9000
Terri and Kevin	Nagrone	Kuna	ID	208-884-1642
Terri and Kevin	Nagrone	Kuna	ID	208-884-1642
Terri and Kevin	Nagrone	Kuna	ID	208-884-1642
Bill	Hahn	Springfield	IL	217-522-6902
Bill	Hahn	Springfield	IL	217-522-6902
Bill	Hahn	Springfield	IL	217-522-6902
Bill	Hahn	Springfield	IL	217-522-6902
Bill	Hahn	Springfield	IL	217-522-6902
Bill	Hahn	Springfield	IL	217-522-6902
Bill	Hahn	Springfield	IL	217-522-6902
Bill	Hahn	Springfield	IL	217-522-6902
Bill	Hahn	Springfield	IL	217-522-6902
Todd	Simonsen	Lake Villa	IL	847-219-2672
Brad	Auker	Byron	IL	-
Brad	Auker	Byron	IL	-
Brad	Auker	Byron	IL	-
Kenneth	Ferron	Noblesville	IN	765-438-8615
Paul	Bennett	Olathe	KS	913-393-1412
Paul	Bennett	Olathe	KS	913-393-1412
Chris & Mindy	Chambers	Overland Park	KS	913-400-3475
Jerry	Hardesty	Guston	KY	270-668-2438
Louis "Chad"	Bergeron	Prairieville	LA	225-715-9037
Matt	Boullion	Lake Charles	LA	337-274-2077
Chuck and Cathy	Decker	Baton Rouge	LA	225-754-8894
Michelle	Vasquez	West Monroe	LA	NULL
Tim	Kerrigan	Monroe	LA	318-366-9751
Brad	Lambert	Gonzales	LA	225-644-8216
Timmy & Kelly	Sims	Harahan	LA	504-734-2270
Victor and Candice	Lockwood	Geismar	LA	(225) 687-6271
Bill & Karen	Gempp	Monkton	MD	410-472-0220
Bill & Karen	Gempp	Monkton	MD	410-472-0220
Sam & Doris	Collins	Waldorf	MD	240-222-3777
Jane	Ramsay	Annapolis	MD	(410) 271-1311
Ron	Stone	Ellicott City	MD	(443) 864-6014
Ron	Stone	Ellicott City	MD	(443) 864-6014
Ron	Stone	Ellicott City	MD	(443) 864-6014
Ron	Stone	Ellicott City	MD	(443) 864-6014
Bob	Greenblatt	Portland	ME	207-771-0223
Bob	Greenblatt	Portland	ME	207-771-0223
Maris & R.J.	Brennan	Grand Ledge	MI	517-622-0487
Brad	Lazorka	Grosse Ile	MI	-

Franchisee First	Franchisee Last	City	State	Franchisee Phone
Matt	Letten	Linden	MI	810-923-1822
Matt	Letten	Linden	MI	810-923-1822
Cynthia	Liekhus	Rochester Hills	MI	248-608-1413
Mark	Pasma	Jenison	MI	616-669-6310
Randy	Shields	Brighton	MI	(810) 229-4629
Ryan	Sietsema	Hudsonville	MI	616-896-8706
Ryan	Sietsema	Hudsonville	MI	616-896-8706
Roger	Auwers	Dearborn	MI	(313) 791-0858
Alan	Baskins	Livonia	MI	734-458-4100
Alan	Baskins	Livonia	MI	734-458-4100
Alan	Baskins	Livonia	MI	734-458-4100
Alan	Baskins	Livonia	MI	734-458-4100
Stephanie & Budd	Cagle	Chesterfield	MI	-
Stephanie & Budd	Cagle	Chesterfield	MI	-
Stephanie & Budd	Cagle	Chesterfield	MI	-
Steve	Collias	Birmingham	MI	248-894-8888
Matthew	Duffield	Keego Harbor	MI	248-630-7878
Matthew	Duffield	Keego Harbor	MI	248-630-7878
Matthew	Duffield	Keego Harbor	MI	248-630-7878
Curt & Bernadette	Ilg	Clarkston Road	MI	248-721-3939
Matt	Jermov	South Lyon	MI	586-306-7154
Tim	McFarland	Williamston	MI	517-655-3375
Steve	Nienhaus	Novi	MI	248-344-4217
Andrew	Paterson	Ann Arbor	MI	734-516-8550
Keith & Carol	Roehon	South Lyon	MI	248-486-3586
Chris	Sadek	Birmingham	MI	734-699-2790
Carl & Pam	Sietsema	Hudsonville	MI	616-669-5853
Carl & Pam	Sietsema	Hudsonville	MI	616-669-5853
Carl & Pam	Sietsema	Hudsonville	MI	616-669-5853
Chuck	Watson	Grand Haven	MI	616-502-8746
Erie	Wizenberg	Ferndale	MI	702-443-8716
Matt	Letten	Linden	MI	(810) 923-1822
Barbara/Gabe	Arntson	East Grand Forks	MN	218-779-1287
Howie	Borden	St. Cloud	MN	952-292-1119
Aaron	Callister	Minnetrista	MN	952-412-6945
Chad	Capp	Maple Grove	MN	612-741-3067
Christina	Clark	Dassel	MN	(320) 275-5403
Christina	Clark	Dassel	MN	(320) 275-5403
Jon	Ferrell	South Haven	MN	320-492-1133
Robbin	Ghere	Inver Grove Heights	MN	651-405-9672
Paul	Heinen	Elk River	MN	-
Paul	Heinen	Elk River	MN	-
Derek	Hookom	Eden Prairie	MN	(952) 769-7042
Derek	Hookom	Eden Prairie	MN	(952) 769-7042
Paul	Johnson	Pine City	MN	763-670-3536
Jim and Jackie	Lagoon	Stillwater	MN	651-983-8818
Larry	Nadeau	Foley	MN	320-968-6897
Peter Taunton	Snap Fitness, Inc.	Chanhassen	MN	612-418-9900
John and Suzanne	Van Dyck	Maple Plain	MN	763-241-8387
Kyle	Veenis	Blaine	MN	651-398-6866
Stewart	Almaer	Plymouth	MN	763-559-9283
Heather	Bowman	Minneapolis	MN	(651) 649-0000
Wendy and Bill	Erie	Cross Lake	MN	218-692-2300
Wendy and Bill	Erie	Cross Lake	MN	218-692-2300
Michael	Gallo	Eden Prairie	MN	952-294-4897
Ryan	McKeever	St. Paul	MN	612-224-5555
Tom and Jane	Taunton	New London	MN	(612) 875-0826
Mathew	Parrott	Kansas City	MO	785-423-0127
Mathew	Parrott	Kansas City	MO	785-423-0127
Brad	Bounds	Philadelphia	MS	601-483-9111
Jack	Riekhof	Starkville	MS	662-418-9736
Anise	Fiello	Gulfport	MS	-
Anise	Fiello	Gulfport	MS	-
Kyle	Eckmann	Claney	MT	406-202-0094
Marc & Christa	Nadeau	Bigfork	MT	406-837-3930
Marc & Christa	Nadeau	Bigfork	MT	406-837-3930
Marc & Christa	Nadeau	Bigfork	MT	406-837-3930
Tripp & Elyse	Drawdy	Waxhaw	NC	704-243-2425

Franchisee First	Franchisee Last	City	State	Franchisee Phone
Perrin	Everman	Hickory	NC	828-238-8086
Scott	Simpson	Jamestown	NC	336-307-3701
Scott	Simpson	Jamestown	NC	336-307-3701
Scott	Simpson	Jamestown	NC	336-307-3701
Gerry	Smith	Charlotte	NC	704-644-7854
Dan	Webb	Rolesville	NC	919-452-7432
Dan	Webb	Rolesville	NC	919-452-7432
Dan	Webb	Rolesville	NC	919-452-7432
Dan	Webb	Rolesville	NC	919-452-7432
Dan	Webb	Rolesville	NC	919-452-7432
Renee	Anderson	Kindred	ND	(701)-757-7627
Renee	Anderson	Kindred	ND	(701)-757-7627
JD	Kennelly	Grand Forks	ND	218-779-1141
JD	Kennelly	Grand Forks	ND	218-779-1141
Gary	Opp	Fargo	ND	701-232-2507
Dennis	Bargen	Columbus	NE	402-563-4144
Travis	Buel	Lincoln	NE	402-890-3822
Travis	Buel	Lincoln	NE	402-890-3822
Travis	Buel	Lincoln	NE	402-890-3822
Darren	Ferguson	Lincoln	NE	402-890-4132
Darren	Ferguson	Lincoln	NE	402-890-4132
Cheryl	Santarelli	Derry	NH	603-568-7473
John	Kedash	Newton	NJ	973-579-2127
Steven	Selfridge	Erial	NJ	856-228-5162
Steven	Selfridge	Erial	NJ	856-228-5162
Steven	Selfridge	Erial	NJ	856-228-5162
Steven	Selfridge	Erial	NJ	856-228-5162
Brent	Cosgrove	Maplewood	NJ	-
Chris	D'Angelo	Williamstown	NJ	856-629-2323
Carla	Hill	Smithville	NJ	609-513-7707
Carla	Hill	Smithville	NJ	609-513-7707
Carla	Hill	Smithville	NJ	609-513-7707
Robert	Kohut	Ewing	NJ	609-915-9028
James	Marzarella	Cranbury	NJ	908-601-6267
William	Renke	Oak Ridge	NJ	-
Elmer	Musshorn	Las Cruces	NM	505-521-1088
Fred	Burghardt	Fairport	NY	NULL
Lorna	Graham	Katonah	NY	914-826-6100
Lorna	Graham	Katonah	NY	914-826-6100
Bridget	Kelley	Orchard Park	NY	716-316-2590
Stephen	Schwartz	New York	NY	914-596-2468
Greg	Sivin	Dix Hills	NY	631-254-9062
Gary	DiGiuseppe	Holtsville	NY	631-447-6028
Gary	DiGiuseppe	Holtsville	NY	631-447-6028
Gary	DiGiuseppe	Holtsville	NY	631-447-6028
Jed	Regen	Suffern	NY	845-357-4962
Tom & Doreen	Spallino	Locust Valley	NY	(516)-799-1708
Karen	Travis	Horseheads	NY	(607)-846-2126
Charles	Williams	Massapequa	NY	516-797-2069
Mark	McIntire	Xenia	OH	NULL
Mark	McIntire	Xenia	OH	NULL
Jack and Gayle	Staiger	West Chester	OH	513-779-8679
Jack and Gayle	Staiger	West Chester	OH	513-779-8679
Jack and Gayle	Staiger	West Chester	OH	513-779-8679
Robert & Amy	Huston	Hudson	OH	330-653-8687
Matt	Barrett	Bend	OR	541-948-5212
Randy	Muir	Salem	OR	503-559-6207
Daniel	Stanley	Scappoose	OR	(503)-369-5091
Matt	Starr	Portland	OR	612-991-6288
Justin	Pearce	Pendleton	OR	-
James	Bromley	Norristown	PA	NULL
Jason	Davis	Altoona	PA	814-327-8929
Stephanie	Kartesz	Erie	PA	814-882-8823
Stephanie	Kartesz	Erie	PA	814-882-8823
Bill	Liney	Media	PA	610-627-1617
Bill	Liney	Media	PA	610-627-1617

Franchisee First	Franchisee Last	City	State	Franchisee Phone
John	Stockton	Linfield	PA	610-495-1939
John	Stockton	Linfield	PA	610-495-1939
John	Stockton	Linfield	PA	610-495-1939
Brian	Gery	Fountainville	PA	(215) 766-7949
Brian	Gery	Fountainville	PA	(215) 766-7949
Elizabeth	Hefner-Bruley	Greensburg	PA	412-554-3774
Anthony	Maley	Drums	PA	570-574-4158
Chris & Tina	Van Buren	Meadowbrook	PA	215-517-5155
Kipp	Edgington	Sullivans Island	SC	614-638-7188
Kipp	Edgington	Sullivans Island	SC	614-638-7188
David	Floyd	Gilbert	SC	-
Bruce	Anderson	Sioux Falls	SD	605-334-7141
Terry	Keller	Sioux Falls	SD	(605) 371-3920
Robert	Britton	Franklin	TN	615-776-1071
Mike	Creagan	Cleveland	TN	423-479-3446
William and Elizabeth	Hancock Jr	Nashville	TN	(615) 953-7222
Jay and Jacquelyn	Hennessy	Nolensville	TN	615-776-1455
Marq	James	Franklin	TN	515-865-8295
David	Karkau	Brentwood	TN	(615) 941-7452
John	Makela	Knoxville	TN	612-760-7614
Joe and Laura	Dougharty	Orange	TX	409-883-0345
Marty	Hill	Lancaster	TX	972-218-5418
Marty	Hill	Lancaster	TX	972-218-5418
Neal	Janke	Manchaca	TX	(512) 282-6346
Neal	Janke	Manchaca	TX	(512) 282-6346
Jeanne	Oliver	Round Rock	TX	512-671-3979
Jeanne	Oliver	Round Rock	TX	512-671-3979
Dawn	Thompson	Seabrook	TX	832-259-1752
George	Van Cleave	Athens	TX	(903) 681-1440
Wayne	Vinson	Columbus	TX	979-32-2935
Chris	Abel	Cedar Hills	TX	817-462-4078
Chris	Abel	Cedar Hills	TX	817-462-4078
Chris	Abel	Cedar Hills	TX	817-462-4078
Zachary	Alexander	McKinney	TX	214-736-1099
Zachary	Alexander	McKinney	TX	214-736-1099
Joe	Andrulis	Irving	TX	972-650-1637
Joe	Andrulis	Irving	TX	972-650-1637
Joe	Andrulis	Irving	TX	972-650-1637
Katherine	Compton	Lampasas	TX	-
Matt	Dunn	Missouri City	TX	713-398-4260
Matt	Dunn	Missouri City	TX	713-398-4260
Patricia	Garcia	Corpus Christi	TX	361-331-0237
Mike & Kelly	Grandjean	Pearland	TX	281-489-9314
Mike & Kelly	Grandjean	Pearland	TX	281-489-9314
Mike & Kelly	Grandjean	Pearland	TX	281-489-9314
Jimmy	Huggins	College Station	TX	(979) 492-2314
Jimmy	Huggins	College Station	TX	(979) 492-2314
Jimmy	Huggins	College Station	TX	(979) 492-2314
Leander	Johnson	Irving	TX	(817) 680-7886
Ron & Cindy	Ludlow	Roanoke	TX	817-431-3101
Ron & Cindy	Ludlow	Roanoke	TX	817-431-3101
Ron & Cindy	Ludlow	Roanoke	TX	817-431-3101
David & Doreen	Meyers	Round Rock	TX	512-771-2369
Ross	Payne	Irving	TX	214-803-0485
Ross	Payne	Irving	TX	214-803-0485
T. Dee	Mabey	Sandy	UT	801-362-9818
T. Dee	Mabey	Sandy	UT	801-362-9818
T. Dee	Mabey	Sandy	UT	801-362-9818
Peggy	Jackson	Hampton	VA	757-288-3939
Linda	Forem	Richmond	VA	804-869-4861
Frank & Stacey	Mayolo	Ashburn	VA	703-626-8645
Frank & Stacey	Mayolo	Ashburn	VA	703-626-8645
John	Freese	Kennewick	WA	(509) 378-2408
Cynthia	Ford	Spokane	WA	720-394-4177
Cynthia	Ford	Spokane	WA	720-394-4177
Cynthia	Ford	Spokane	WA	720-394-4177
Jim & Trina	Zurfluh	University Place	WA	(253) 566-6819
Jim & Trina	Zurfluh	University Place	WA	(253) 566-6819

Franchisee First	Franchisee Last	City	State	Franchisee Phone
Mike	Ballard	New Richmond	WI	715-246-9096
Scott & Laurel	Brecher	Hudson	WI	715-381-3090
Robin and Dan	Kohls	Sparta	WI	608-269-4262
Allen	Metealf	St. Croix Falls	WI	715-768-0094
Alex & Richard	Paul	Milwaukee	WI	414-559-8707
Mike & Rose	Purcell	Milwaukee	WI	414-412-9162
Charlie	Rish	Elkhorn	WI	262-495-8784
Carol	Rosenstock	Waukegan	WI	608-849-8127
Carrie	Steinberger	Milwaukee	WI	(414)-351-8418
Michael	Toelle	Amherst Jet.	WI	715-824-5383
Pete	Boney	Pewaukee	WI	262-695-2550
Greg	Foster	Madison	WI	608-221-0453
Greg	Foster	Madison	WI	608-221-0453
Sandy	Gilpatrick	Racine	WI	262-456-7486
Mark	Swieczkowski	Green Bay	WI	920-360-2568
Jennifer and Mark	White	Pleasant Prairie	WI	262-697-3478
Jennifer and Mark	White	Pleasant Prairie	WI	262-697-3478
Charlotte	Ouellette	Burlington	-	289-313-0700
Charlotte	Ouellette	Burlington	-	289-313-0700
Dr. William	Donhiser	Rapid City	-	605-431-1168

### SNAP FITNESS CORPORATE AND AFFILIATE-OWNED CLUBS AS OF DECEMBER 31, ~~2012~~2013

Club Name	Phone	Address	City	State
calera	205-620-2406	301 Airport Commons Drive	Calera	AL
centre	256-927-7761	1558 West Main St.	Centre	AL
columbiana	205-610-9291	208 West College Street	Columbiana	AL
moody	205-640-5588	3220 Moody Parkway	Moody	AL
pellcity	205-338-7666	2401 Stemley Bridge Road	Pell City	AL
springville	205-467-0303	300 Springville Station	Springville	AL
sylacauga	256-208-8853	207 James B. Payton Blvd.	Sylacauga	AL
erossett	870-298-4420	1410 South Florida Street	Crossett	AR
dumas	870-493-3343	805 Hwy. 165 E	Dumas	AR
buckeye	480-745-2465	410 East Highway 85	Buckeye	AZ
yumafoothills	928-345-6500	11274 S. Fortuna Road	Yuma	AZ
yumavalley	928-783-5510	3840 West 24th Street	Yuma	AZ
halfmoonbayca	650-726-4600	20 Stone Pine Road	Half Moon Bay	CA
placerville	530-621-2777	1248 Broadway	Placerville	CA
shinglesprings	530-672-2777	3975 Durock Road	Shingle Springs	CA
montroseco	970-252-1771	1541 Oxbow Dr.	Montrose	CO
trinidad	719-422-4733	2202 Freedom Road	Trinidad	CO
woodlandpark	719-686-6494	1131 E US Highway 24	Woodland Park	CO
bethel	203-739-0027	83 Stony Hill Rd.	Bethel	CT
betheldowntown	203-683-4131	9 Durant Ave.	Bethel	CT
danburyct	203-885-1029	261 Main Street	Danbury	CT
essexct	860-767-0155	125 Westbrook Rd.	Essex	CT
niantic	860-691-1140	88 Pennsylvania Ave.	Niantic	CT
oldlyme	860-434-3332	54 Halls Rd.	Old Lyme	CT
portlandct	860-516-4066	336 Marlborough Street	Portland	CT
ridgefieldct	203-544-0047	1 Ethan Allen Highway	Ridgefield	CT
seminolefl	727-474-3801	9360 Oakhurst Road	Seminole	FL
claxton	912-225-1211	214C North Duval Street	Claxton	GA
hawkinsville	478-246-4955	58 Surrey Plaza	Hawkinsville	GA
royston	706-498-9636	1053 Franklin Springs Street	Royston	GA
centervilleia	641-569-7005	710 North 18th Street	Centerville	IA
macombil	309-731-4341	212 E. Calhoun Street Suite C	Macomb	IL
alexandriaky	859-448-5540	7025 Alexandria Pike	Alexandria	KY
independenceky	859-966-2224	2168 Declaration Drive	Independence	KY
walton	859-449-4473	11085 Clay Drive	Walton	KY
hammond	985-340-1096	1905 West Thomas St.	Hammond	LA
houma	985-873-8585	292 South Hollywood Road	Houma	LA
laplace	985-651-4404	524-546 Belle Terre Blvd.	La Place	LA
Ponchatoula	985-386-7105	18539 Hwy 22	Ponchatoula	LA
thibodaux	985-447-1685	1655 St Mary Street	Thibodaux	LA
carsoncity	616-548-5794	420 West Main Street	Carson City	MI
ferndale	248-399-4030	23000 Woodward Ave.	Ferndale	MI
saugatuck	616-928-1988	3467 Blue Star Highway	Saugatuck	MI

Club Name	Phone	Address	City	State
chanhassen	952-567-5800	2411 Galpin Court	Chanhassen	MN
northmankato	507-387-7627	1754 Commerce Drive	North Mankato	MN
plymouthrockford169	763-559-7627	4445 Nathan Lane N.	Plymouth	MN
shakopee169	952-314-9922	1282 Vierling Drive East	Shakopee	MN
wadena	218-632-5500	618 Jefferson Street N.	Wadena	MN
wasecanm	507-835-0043	122 East Elm Avenue	Waseca	MN
willmar	320-222-SNAP (7627)	812 1st St. South	Willmar	MN
batesville	662-563-4926	436 Highway 6 East	Batesville	MS
indianola	662-595-4069	510 US Highway 82 West, Suite H	Indianola	MS
saltloms	662-869-3181	111 Willowbrook Dr.	Saltillo	MS
tupeloms	662-844-SNAP	549 Coley Rd	Tupelo	MS
grants	505-240-6009	698 E. Roosevelt Ave.	Grants	NM
portales	575-359-7100	1608 East Spruce Street Suite 100	Portales	NM
raton	575-303-0850	1100 South 2nd Street Suite C	Raton	NM
tucumcari	575-708-7822	102 East Tucumcari Blvd.	Tucumcari	NM
ashlandoh	419-903-0577	85 Amberwood Parkway	Ashland	OH
chagrinfalls	440-247-2013	524 East Washington St.	Chagrin Falls	OH
conneaut	440-599-9951	230 State St.	Conneaut	OH
genevaoh	440-466-9143	767 S. Broadway Ave	Geneva	OH
madisonoh	440-290-4255	6581 North Ridge Road	Madison	OH
mansfieldoh	419-610-2111	1034 Ashland Road	Mansfield	OH
medinaoh	330-391-7237	1106 North Court St.	Medina	OH
mentoronthelake	440-290-4949	5903 Andrews Road	Mentor on the Lake	OH
middlefield	440-290-4814	15425 West High Street	Middlefield	OH
shelby	419-342-4000	209 Mansfield Ave.	Shelby	OH
blackwell	580-262-6700	827 West Doolin Ave. Suite B	Blackwell	OK
guymon	580-377-1258	1924 Highway N-64	Guymon	OK
idabelok	580-910-5044	906 East Washington Street	Idabel	OK
corvalliscrossing	541-230-5355	948 NW Circle Blvd.	Corvallis	OR
corvallisunset	541-738-7627	5246 Philomath Blvd.	Corvallis	OR
hoodriver	541-716-5393	2940 W. Cascade Ave. #100	Hood River	OR
woodfieldstation	541-225-4943	2862 Willamette Street	Eugene	OR
corry	814-462-2455	113 West Smith Street	Corry	PA
edinboro	814-273-1100	606 Erie Street	Edinboro	PA
erie3	814-833-7333	2249 West 38th Street	Erie	PA
fairviewpa	814-474-1144	7470 West Ridge Road	Fairview	PA
girardpa	814-774-0000	20 Sunset Drive	Girard	PA
meadvillepa	814-350-2499	19023 Park Ave. Plaza	Meadville	PA
northeast	814-725-2000	69 E. Main Unit 1	North East	PA
warrenpa	814-313-1432	2767 Market Street	Warren	PA
athensn	423-745-9422 or 423-667-4884	2015 S. Congress Pkwy.	Athens	TN
bradytx	325-718-4774	2209 S. Bridge Street	Brady	TX
clevelandtx	281-761-2668	1715 E. Houston Street	Cleveland	TX
crockett	936-465-9050	1275 East Loop 304	Crockett	TX
daytontx	936-681-0043	400 E Highway 90	Dayton	TX
granbury	817-243-0012	1030 East Highway 377 Suite 128	Granbury	TX
hereford	806-587-0050	819 S. 25 Mile Ave.	Hereford	TX
highlandstx	832-838-4339	302 North Main St.	Highlands	TX
levelland	806-329-0004	209 College Ave.	Levelland	TX
littlefieldtx	806-221-2676	1607 South Phelps Ave.	Littlefield	TX
newcaney	281-761-6101	20851 FM 1485 W.	New Caney	TX
pittsburgtx	903-598-7855	300 South Greer Blvd	Pittsburg	TX
quinlan	903-226-7111	723 East Quinlan Pkwy	Quinlan	TX
rockport	361-386-2909	2810 Hwy 35 N.	Rockport	TX
rollingstrongdallas	214-393-9288	7383 Bonnie View Rd.	Dallas	TX
seabrooktx	281-532-4000	2900 Nasa Parkway	Seabrook	TX
springtown	817-382-4343	511 East Highway 199	Springtown	TX
whiteoaktx	903-374-4194	107 West US Hwy. 80	White Oak	TX



Club Name	Phone	Address	City	State
lakemills	920-541-2226	362 Tyrana Park Rd.	Lake Mills	WI

## SNAP FITNESS CORPORATE AND AFFILIATE OWNED CLUBS AS OF NOVEMBER 30, 2013

Club Name	Phone	Address	City	State
Columbiana	205-610-9291	208 West College Street	Columbiana	AL
Calera	205-620-2406	301 Airport Commons Drive	Calera	AL
Springville	205-467-0303	300 Springville Station	Springville	AL
Attalla	256-344-0373	977 Gilbert Ferry Rd. SE, Suites P & Q	Attalla	AL
CaleraTalladega	<del>256-474-0363</del> 205-620-2406	<del>215 East Battle Street</del> 301 Airport Commons Drive	TalladegaCalera	AL
Pell CityColumbiana	<del>205-338-7666</del> 610-9291	<del>2401 Stemley Bridge Road</del> 208 West College Street	Pell CityColumbiana	AL
Irondale	205-383-4349	5415 Beacon Drive, Suites 111-115	Irondale	AL
Moody	205-640-5588	2846 Moody Parkway	Moody	AL
Oxford	256-399-0190	43 Elm Street (Hwy 431)	Oxford	AL
Pell City	205-338-7666	2401 Stemley Bridge Road	Pell City	AL
Springville	205-467-0303	300 Springville Station	Springville	AL
Sylacauga	256-208-8853	207 James B. Payton Blvd.	Sylacauga	AL
TalladegaMoody	<del>205-640-5588</del> 256-474-0363	<del>2846 Moody Parkway</del> 215 East Battle Street	MoodyTalladega	AL
Crossett	870-298-4420	1410 South Florida Street	Crossett	AR
Dumas	870-493-3343	805 Hwy. 165 E	Dumas	AR
Stuttgart	870-663-0049	2110 South Buerkle	Stuttgart	AR
BuckeyeDumas	<del>870-493-3343</del> 480-745-2465	<del>805 Hwy. 165 E</del> 410 East Highway 85	BuckeyeDumas	ARAZ
WinslowCrossett	<del>870-298-4420</del> 928-224-3030	<del>1410 South Florida Street</del> 1535 North Park Plaza Drive	CrossettWinslow	ARAZ
YumaValleyFoothills	<del>928-783-5510</del> 345-6500	<del>3840 West 24th Street</del> 11274 S. Fortuna Road	Yuma	AZ
Yuma ValleyBuckeye	<del>480-745-2465</del> 928-783-5510	<del>410 East Highway 85</del> 3840 West 24th Street	BuckeyeYuma	AZ
YumaFoothillsHalf Moon Bay	<del>928-345-6500</del> 650-726-4600	<del>11274 S. Fortuna</del> 20 Stone Pine Road	Half Moon BayYuma	AZCA
PlacervilleShingle Springs	<del>530-672-621</del> 2777	<del>3975 Durock Road</del> 1248 Broadway	PlacervilleShingle Springs	CA
Shingle SpringsHalf Moon Bay	<del>650-726-4600</del> 530-672-2777	<del>20 Stone Pine</del> 3975 Durock Road	Shingle SpringsHalf Moon Bay	CA
MontrosePlacerville	<del>530-621-2777</del> 970-252-1771	<del>1248 Broadway</del> 1541 Oxbow Dr.	PlacervilleMontrose	CA
Trinidad	719-422-4733	2202 Freedom Road	Trinidad	CO
Woodland Park	719-686-6494	1131 E US Highway 24	Woodland Park	CO
Montrose	970-252-1771	1541 Oxbow Dr.	Montrose	CO
Portland	860-516-4066	336 Marlborough Street	Portland	CT
BethelEssex	<del>860-767-0155</del> 203-739-0027	<del>125 Westbrook</del> 83 Stony Hill Rd.	EssexBethel	CT
Bethel-Downtown	203-683-4131	9 Durant Ave.	Bethel	CT
Danbury	203-885-1029	261 Main Street	Danbury	CT
Essex	860-767-0155	125 Westbrook Rd.	Essex	CT
Niantic	860-691-1140	88 Pennsylvania Ave.	Niantic	CT
BethelOld Lyme	<del>203-739-0027</del> 860-434-3332	<del>83 Stony Hill</del> 54 Halls Rd.	BethelOld Lyme	CT
DanburyPortland	<del>203-885-</del>	<del>261 Main</del> 336 Marlborough Street	DanburyPortland	CT



	<del>1029</del> 860-516-4066			
Ridgefield	203-544-0047	1 Ethan Allen Highway	Ridgefield	CT
<del>Old Lyme</del>	<del>860-434-3332</del>	<del>54 Halls Rd.</del>	<del>Old Lyme</del>	<del>CT</del>
Seminole	727-474-3801	9360 Oakhurst Road	Seminole	FL
<del>Claxton</del>	<del>912-225-1211</del>	<del>214C North Duval Street</del>	<del>Claxton</del>	<del>GA</del>
Hawkinsville	478-246-4955	58 Surrey Plaza	Hawkinsville	GA
Rising Fawn	706-996-2120	319 Deer Head Cover Road	Rising Fawn	GA
Royston	706-498-9636	1053 Franklin Springs Street	Royston	GA
<del>Claxton</del>	<del>912-225-1211</del>	<del>214C North Duval Street</del>	<del>Claxton</del>	<del>GA</del>
Centerville	641-569-7005	710 North 18th Street	Centerville	IA
<del>Macomb</del>	<del>309-731-4341</del>	<del>212 E. Calhoun Street Suite C</del>	<del>Macomb</del>	<del>IL</del>
East St. Louis	618-215-2788	699 State Route 203	East St. Louis	IL
<del>Walton</del> <del>Macomb</del>	<del>859-449-4473</del> <del>309-731-4341</del>	<del>11085 Clay Drive</del> <del>212 E. Calhoun Street Suite C</del>	<del>Walton</del> <del>Macomb</del>	<del>KY</del> <del>IL</del>
<del>Independence</del>	<del>859-966-2224</del>	<del>2168 Declaration Drive</del>	<del>Independence</del>	<del>KY</del>
Alexandria	859-448-5540	7025 Alexandria Pike	Alexandria	KY
<del>Independence</del>	<del>859-966-2224</del>	<del>2168 Declaration Drive</del>	<del>Independence</del>	<del>KY</del>
Nicholasville	859-305-1799	977 South Main Street	Nicholasville	KY
<del>Walton</del>	<del>859-449-4473</del>	<del>11085 Clay Drive</del>	<del>Walton</del>	<del>KY</del>
<del>Hammond</del> <del>Plaquemine</del>	<del>225-687-6271</del> <del>985-340-1096</del>	<del>58630 Bellview Road</del> <del>1905 West Thomas St.</del>	<del>Hammond</del> <del>Plaquemine</del>	LA
Houma	985-873-8585	292 South Hollywood Road	Houma	LA
La Place	985-651-4404	524-546 Belle Terre Blvd.	La Place	LA
<del>Plaquemine</del> <del>Thibodaux</del>	<del>985-447-1685</del> <del>225-687-6271</del>	<del>1655 St Mary Street</del> <del>58630 Bellview Road</del>	<del>Plaquemine</del> <del>Thibodaux</del>	LA
Ponchatoula	985-386-7105	18539 Hwy 22	Ponchatoula	LA
<del>Thibodaux</del> <del>Hammond</del>	<del>985-340-1096</del> <del>447-1685</del>	<del>1905 West Thomas</del> <del>1655 St. Mary Street</del>	<del>Thibodaux</del> <del>Hammond</del>	LA
Mt. Airy	301-829-0680	1311 S. Main Street	Mt. Airy	MD
<del>Ferndale</del>	<del>248-399-4030</del>	<del>23000 Woodward Ave.</del>	<del>Ferndale</del>	<del>MI</del>
Carson City	616-548-5794	420 West Main Street	Carson City	MI
<del>Ferndale</del>	<del>248-399-4030</del>	<del>23000 Woodward Ave.</del>	<del>Ferndale</del>	<del>MI</del>
Saugatuck	616-928-1988	3467 Blue Star Highway	Saugatuck	MI
Chanhassen	952-567-5800	2411 Galpin Court	Chanhassen	MN
<del>Wadena</del>	<del>218-632-5500</del>	<del>618 Jefferson Street N.</del>	<del>Wadena</del>	<del>MN</del>
<del>North Mankato</del>	<del>507-387-7627</del>	<del>1754 Commerce Drive</del>	<del>North Mankato</del>	<del>MN</del>
<del>Shakopee</del>	<del>952-314-9922</del>	<del>1282 Vierling Drive East</del>	<del>Shakopee</del>	<del>MN</del>
Maple Grove South	763-447-4014	13408 Bass Lake Road	Maple Grove	MN
<del>North Mankato</del> <del>Willmar</del>	<del>320-222-SNAP</del> <del>(507-387-7627)</del>	<del>812 1st St. South</del> <del>1754 Commerce Drive</del>	<del>Willmar</del> <del>North Mankato</del>	MN
Plymouth	763-559-7627	4445 Nathan Lane N.	Plymouth	MN
<del>Shakopee</del>	<del>952-314-9922</del>	<del>1282 Vierling Drive East</del>	<del>Shakopee</del>	<del>MN</del>
<del>Wadena</del>	<del>218-632-5500</del>	<del>618 Jefferson Street N.</del>	<del>Wadena</del>	<del>MN</del>
<del>Waseca</del>	<del>507-835-0043</del>	<del>122 East Elm Avenue</del>	<del>Waseca</del>	<del>MN</del>
<del>Willmar</del>	<del>320-222-7627</del>	<del>812 1st St. South</del>	<del>Willmar</del>	<del>MN</del>
<del>Batesville</del>	<del>662-563-4926</del>	<del>436 Highway 6 East</del>	<del>Batesville</del>	<del>MS</del>
Indianola	662-595-4069	510 US Highway 82 West, Suite H	Indianola	MS
<del>Saltillo</del>	<del>662-869-3181</del>	<del>111 Willowbrook Dr.</del>	<del>Saltillo</del>	<del>MS</del>
<del>Batesville</del>	<del>662-563-4926</del>	<del>436 Highway 6 East</del>	<del>Batesville</del>	<del>MS</del>
<del>Tupelo</del>	<del>662-844-SNAP</del>	<del>549 Coley Rd</del>	<del>Tupelo</del>	<del>MS</del>
Kosciusko	662-633-4332	182 Parkway Plaza	Kosciusko	MS
<del>Saltillo</del>	<del>662-869-3181</del>	<del>111 Willowbrook Dr.</del>	<del>Saltillo</del>	<del>MS</del>
<del>Tupelo</del>	<del>662-844-7627</del>	<del>549 Coley Rd</del>	<del>Tupelo</del>	<del>MS</del>

<del>Grants</del> <del>Raton</del>	<del>575-303-0850</del> 505-240-6009	<del>1100 South 2nd Street Suite C</del> 698 E. Roosevelt Ave.	<del>Raton</del> Grants	NM
Portales	575-359-7100	1608 East Spruce Street Suite 100	Portales	NM
<del>Raton</del>	<del>575-303-0850</del>	<del>1100 South 2nd Street Suite C</del>	<del>Raton</del>	<del>NM</del>
Tucumcari	575-708-7822	102 East Tucumcari Blvd.	Tucumcari	NM
<del>Grants</del>	<del>505-240-6009</del>	<del>698 E. Roosevelt Ave.</del>	<del>Grants</del>	<del>NM</del>
<del>Ashland</del> <del>Middlefield</del>	<del>440-290-4814</del> 419-903-0577	<del>15425 West High Street</del> 85 Amberwood Parkway	<del>Middlefield</del> Ashland	OH
<del>Geneva</del>	<del>440-466-9143</del>	<del>767 S. Broadway Ave</del>	<del>Geneva</del>	<del>OH</del>
Chagrin Falls	440-247-2013	524 East Washington St.	Chagrin Falls	OH
<del>Shelby</del>	<del>419-342-4000</del>	<del>209 Mansfield Ave.</del>	<del>Shelby</del>	<del>OH</del>
Conneaut	440-599-9951	230 State St.	Conneaut	OH
<del>Mansfield</del> <del>Geneva</del>	<del>419-610-2111</del> 440-466-9143	<del>1034 Ashland Road</del> 767 S. Broadway Ave	<del>Mansfield</del> Geneva	OH
Madison	440-290-4255	6581 North Ridge Road	Madison	OH
<del>Ashland</del> <del>Mansfield</del>	<del>419-903-0577</del> 610-2111	<del>85 Amberwood Parkway</del> 1034 Ashland Road	<del>Ashland</del> Mansfield	OH
Medina	330-391-7237	1106 North Court St.	Medina	OH
Mentor on the Lake	440-290-4949	5903 Andrews Road	Mentor on the Lake	OH
<del>Middlefield</del> <del>Medina</del>	<del>330-391-7237</del> 440-290-4814	<del>1106 North Court St.</del> 15425 West High Street	<del>Middlefield</del> Medina	OH
<del>Shelby</del>	<del>419-342-4000</del>	<del>209 Mansfield Ave.</del>	<del>Shelby</del>	<del>OH</del>
Blackwell	580-262-6700	827 West Doolin Ave. Suite B	Blackwell	OK
Guymon	580-377-1258	1924 Highway N 64	Guymon	OK
Idabel	580-910-5044	906 East Washington Street	Idabel	OK
McAlester	918-302-9926	502 South George Nigh Expressway	McAlester	OK
<del>Corvallis Crossing</del>	<del>541-230-5355</del>	<del>948 NW Circle Blvd.</del>	<del>Corvallis</del>	<del>OR</del>
Corvallis Sunset	541-738-7627	5246 Philomath Blvd.	Corvallis	OR
<del>Eugene</del>	<del>541-225-4943</del>	<del>2862 Willamette Street</del>	<del>Eugene</del>	<del>OR</del>
Hood River	541-716-5393	2940 W. Cascade Ave. #100	Hood River	OR
<del>Eugene</del>	<del>541-225-4943</del>	<del>2862 Willamette Street</del>	<del>Eugene</del>	<del>OR</del>
<del>Corvallis Crossing</del>	<del>541-230-5355</del>	<del>948 NW Circle Blvd.</del>	<del>Corvallis</del>	<del>OR</del>
<del>Meadville</del>	<del>814-350-2499</del>	<del>19023 Park Ave. Plaza</del>	<del>Meadville</del>	<del>PA</del>
<del>Warren</del> <del>Corry</del>	<del>814-313-1432</del> 462-2455	<del>2767 Market</del> 113 West Smith Street	<del>Corry</del> Warren	PA
<del>Fairview</del>	<del>814-474-1144</del>	<del>7470 West Ridge Road</del>	<del>Fairview</del>	<del>PA</del>
Dubois	814-299-4304	22 Hoover Ave.	Dubois	PA
<del>Edinboro</del>	<del>814-273-1100</del>	<del>606 Erie Street</del>	<del>Edinboro</del>	<del>PA</del>
Erie	814-833-7333	2249 West 38th Street	Erie	PA
<del>Fairview</del>	<del>814-474-1144</del>	<del>7470 West Ridge Road</del>	<del>Fairview</del>	<del>PA</del>
Girard	814-774-0000	20 Sunset Drive	Girard	PA
<del>Meadville</del> <del>Corry</del>	<del>814-462-2455</del> 350-2499	<del>113 West Smith Street</del> 19023 Park Ave. Plaza	<del>Corry</del> Meadville	PA
North East	814-725-2000	69 E. Main Unit 1	North East	PA
<del>Warren</del> <del>Edinboro</del>	<del>814-273-1100</del> 313-1432	<del>606 Erie</del> 2767 Market Street	<del>Edinboro</del> Warren	PA
Athens	423-745-9422 <del>or</del> 423-667-4884	2015 S. Congress Pkwy.	Athens	TN
Lebanon	615-547-2323	921 Murfreesboro	Lebanon	TN
<del>Alvin</del> <del>New Caney</del>	<del>281-761-6101</del> 299-3255	<del>20851 FM 1485 W.</del> 202 East House Street	<del>New Caney</del> Alvin	TX
<del>Brady</del> <del>Palestine</del>	<del>903-221-9844</del> 325-718-4774	<del>16252209 S. Loop 256 Suite C</del> Bridge Street	<del>Palestine</del> Brady	TX
<del>Seabrook</del>	<del>281-532-4000</del>	<del>2900 Nasa Parkway</del>	<del>Seabrook</del>	<del>TX</del>

Cleveland	281-761-2668	1715 E. Houston Street	Cleveland	TX
<del>Crockett</del>	<del>936-465-9050</del>	<del>1275 East Loop 304</del>	<del>Crockett</del>	<del>TX</del>
<del>Dallas</del>	<del>214-393-9288</del>	<del>7383 Bonnie View Rd.</del>	<del>Dallas</del>	<del>TX</del>
<del>Dayton</del>	<del>936-681-0043</del>	<del>400 E Highway 90</del>	<del>Dayton</del>	<del>TX</del>
<del>Ferris</del>	<del>469-373-3111</del>	<del>454 FM 664 Suite F</del>	<del>Ferris</del>	<del>TX</del>
<del>Granbury</del>	<del>817-243-0012</del>	<del>1030 East Highway 377 Suite 128</del>	<del>Granbury</del>	<del>TX</del>
<del>Hereford</del>	<del>806-587-0050</del>	<del>819 S. 25 Mile Ave.</del>	<del>Hereford</del>	<del>TX</del>
<del>Highlands</del>	<del>832-838-4339</del>	<del>302 North Main St.</del>	<del>Highlands</del>	<del>TX</del>
<del>Ingleside</del>	<del>361-345-4543</del>	<del>2334 Highway 361</del>	<del>Ingleside</del>	<del>TX</del>
<del>Jacksonville</del>	<del>903-284-2290</del>	<del>1311 S. Jackson Street, Unit B</del>	<del>Jacksonville</del>	<del>TX</del>
<del>Pittsburg</del>	<del>903-598-7855</del>	<del>300 South Greer Blvd</del>	<del>Pittsburg</del>	<del>TX</del>
<del>Springtown</del>	<del>817-382-4343</del>	<del>511 East Highway 199</del>	<del>Springtown</del>	<del>TX</del>
<del>Quinlan</del>	<del>903-226-7111</del>	<del>723 East Quinlan Pkwy</del>	<del>Quinlan</del>	<del>TX</del>
<del>Dayton</del>	<del>936-681-0043</del>	<del>400 E Highway 90</del>	<del>Dayton</del>	<del>TX</del>
<del>Raveneaux</del>	<del>281-203-0995</del>	<del>9415 Cypresswood Drive</del>	<del>Spring</del>	<del>TX</del>
<del>Alvin</del>	<del>281-299-3255</del>	<del>202 East House Street</del>	<del>Alvin</del>	<del>TX</del>
<del>Levelland</del>	<del>806-329-0004</del>	<del>209 College Ave.</del>	<del>Levelland</del>	<del>TX</del>
<del>Littlefield</del>	<del>806-221-2676</del>	<del>1607 South Phelps Ave.</del>	<del>Littlefield</del>	<del>TX</del>
<del>Dallas</del>	<del>214-393-9288</del>	<del>7383 Bonnie View Rd.</del>	<del>Dallas</del>	<del>TX</del>
<del>Terrell</del>	<del>972-563-1700</del>	<del>111 S. H. 205 Suite 106</del>	<del>Terrell</del>	<del>TX</del>
<del>Rockport</del>	<del>361-386-2909</del>	<del>2810 Hwy 35 N.</del>	<del>Rockport</del>	<del>TX</del>
<del>Crockett</del>	<del>936-465-9050</del>	<del>1275 East Loop 304</del>	<del>Crockett</del>	<del>TX</del>
<del>Highlands</del>	<del>832-838-4339</del>	<del>302 North Main St.</del>	<del>Highlands</del>	<del>TX</del>
<del>White Oak</del>	<del>903-374-4194</del>	<del>107 West US Hwy. 80</del>	<del>White Oak</del>	<del>TX</del>
<del>Wills Point</del>	<del>903-873-8887</del>	<del>130 S. 4th St.</del>	<del>Wills Point</del>	<del>TX</del>
<del>Ferris</del>	<del>469-373-3111</del>	<del>454 FM 664 Suite F</del>	<del>Ferris</del>	<del>TX</del>
Kaufman	214-506-1180	2017-A South Washington Ave.	Kaufman	TX
Kilgore	903-218-0881	1023 Kilgore Plaza	Kilgore	TX
LevellandHereford	806- <del>587-0050</del> 329-0004	<del>819 S. 25 Mile</del> 209 College Ave.	<del>Hereford</del> Levelland	TX
Littlefield	806-221-2676	1607 South Phelps Ave.	Littlefield	TX
New Caney	281-761-6101	20851 FM 1485 W.	New Caney	TX
PalestineBrady	<del>325-718-4774</del> 903-221-9844	<del>2209</del> 1625 S. Bridge StreetLoop 256 Suite C	<del>Palestine</del> Brady	TX
Pittsburg	903-598-7855	300 South Greer Blvd	Pittsburg	TX
Quinlan	903-226-7111	723 East Quinlan Pkwy	Quinlan	TX
Raveneaux	281-203-0995	9415 Cypresswood Drive	Spring	TX
Rockport	361-386-2909	2810 Hwy 35 N.	Rockport	TX
Seabrook	281-532-4000	2900 Nasa Parkway	Seabrook	TX
SpringtownGranbury	817- <del>243-0012</del> 382-4343	<del>1030</del> 511 East Highway <del>377 Suite 128</del> 199	<del>Granbury</del> Springtown	TX
Terrell	972-563-1700	111 S. H. 205 Suite 106	Terrell	TX
White Oak	903-374-4194	107 West US Hwy. 80	White Oak	TX
Wills Point	903-873-8887	130 S. 4th St.	Wills Point	TX
Lake Mills	920-541-2226	362 Tyranena Park Rd.	Lake Mills	WI

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**EXHIBIT E**  
**OPERATIONS MANUAL TABLE OF CONTENTS**

<b>TOPIC</b>	<b>NUMBER OF PAGES</b>
Introduction to the Manual	4
Introduction to the Franchise System	10
Understanding Franchising	10
Pre-Opening Procedures	81
Club Marketing Plan	21
Personnel	50
Daily Operating Procedures	45
Finance	55
Sales Procedures	36
Personal Training	28
Marketing	68
Franchise Agreement Administration	5
Other Resources	7
<b>TOTAL PAGES</b>	<b>420</b>

**EXHIBIT F**  
**COPY OF SAMPLE MEMBERSHIP AGREEMENT**



☐ Franchisee, LLC  
Add City 000  
ema  
Hea



☐ Franchisee, LLC  
2411 Galpin Court  
Suite 110  
Chanhassen, MN 55317  
952-474-5422  
bsimondet@snapfitness.com

## Membership Agreement

Primary  
[18+ years]  
ID Num

Member

ID Num

Member

ID Num

Member

ID Num

Primary

Address

Primary

Emerg

How did

Member

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☐ Joint

☐ Fam

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**ASSUMPTION OF RISK OF INJURY AND WAIVER OF CLAIMS.** I acknowledge that the Club is an unsupervised fitness center and there is possible danger connected with any physical activity, including the dangers of physical injury and death. I assume all risks of injury, and waive all rights to pursue money damages or any other relief of any kind, arising out of (1) my entry into or upon the Club or any other Snap Fitness location; or (2) my use of any equipment, machinery, or facilities in the Club or any other Snap Fitness sponsored event. On behalf of myself and my successors and assigns, I agree to indemnify and will hold harmless Club Owner, Snap Fitness, Inc. and all of their owners, employees, agents, successors and assigns from and against any loss or damage that may be sustained by me or any person entering the Club as my guest.

**Parent/Guardian.** In exchange for Club allowing my minor child to use the Club, I agree to the Assumption of Risk of Injury and Waiver of Claims clause in this Agreement. I also agree to defend and indemnify Club, Snap Fitness, Inc., or its officers and employees to the fullest extent permitted by law for any claim brought by my minor child against them. I also promise to pay any financial obligation incurred by my minor child for any reason and acknowledge that the banking information on this Agreement is my account. I understand that any child of mine under the age of 16 must be accompanied by an

Primary Member:

[18+ years] First Last M.I.

ID Number: ☐ easyFIT ☐ General Access ☐ Other Access

Birth Date: / /

E-mail:

Member:

First Last M.I.

ID Number: ☐ easyFIT ☐ General Access ☐ Other Access

Birth Date: / /

E-mail:

Member:

First Last M.I.

ID Number: ☐ easyFIT ☐ General Access ☐ Other Access

Birth Date: / /

E-mail:

Member:

First Last M.I.

ID Number: ☐ easyFIT ☐ General Access ☐ Other Access

Birth Date: / /

E-mail:

### Primary Member's Contact Information

Address City State Zip Code

Primary Phone work / home / cell Secondary Phone work / home / cell

Emergency Contact Name Emergency Contact Phone

How did you hear about us? Referring Member Group Affiliation

### Membership Plan

☐ Single ☐ Month-to-Month

☐ Joint ☐ 12-Month\*

☐ Family ☐ Prepaid Months\*

\*If available at this location

☐ EFT Checking Financial Institution Branch

☐ EFT Savings Routing # Account #

☐ Credit Card Card Type Card # Name

(Last four digits only) (As it appears on card)

### Payment Authorization

For purposes of this payment authorization, the term "I" refers to the new member whose name appears above as the primary account holder and whose signature appears below. "You" refers to my financial institution identified above.

I authorize you to pay monthly drafts on my behalf to Club Owner (or its designee) in the amount of \$\_\_\_\_\_, plus any vending-machine purchases made with my access card and applicable tax, beginning \_\_/01/\_\_\_\_\_. These payments will continue until I submit a written notice of cancellation of my membership to the Club as instructed on page 2 of this Agreement. I agree I am bound by the membership payment terms and unpaid account balance due upon cancellation. I agree that you will be fully protected in honoring these drafts and that your treatment of them and rights in respect to them are the same as if personally signed by me. I understand that I must notify the Club of account changes by the start of the billing cycle on the 25th of each month, and that I will incur an additional fee of \$20 per month whenever there is a payment default.

#### Initial Payment:

\* Enrollment \$

\* Access card(s) \$

\* Pro-rated dues \$

\* easyFIT \$

\* \$

\* \$

Total Payment \$

Paid By:

☐ Check ☐ Cash ☐ Card

### ASSUMPTION OF RISK OF INJURY AND WAIVER OF CLAIMS.

I acknowledge that the Club is an unsupervised fitness center and there is possible danger connected with any physical activity, including the dangers of physical injury and death. I assume all risks of injury, and waive all rights to pursue money damages or any other relief of any kind, arising out of (1) my entry into or upon the Club or any other Snap Fitness location; or (2) my use of any equipment, machinery, or facilities in the Club or any other Snap Fitness sponsored event. On behalf of myself and my successors and assigns, I agree to indemnify and will hold harmless Club Owner, Snap Fitness, Inc. and all of their owners, employees, agents, successors and assigns from and against any loss or damage that may be sustained by me or any person entering the Club as my guest.

(initial)

**Parent/Guardian.** In exchange for Club allowing my minor child to use the Club, I agree to the Assumption of Risk of Injury and Waiver of Claims clause in this Agreement. I also agree to defend and indemnify Club, Snap Fitness, Inc., or its officers and employees to the fullest extent permitted by law for any claim brought by my minor child against them. I also promise to pay any financial obligation incurred by my minor child for any reason and acknowledge that the banking information on this Agreement is my account. I understand that any child of mine under the age of 16 must be accompanied by an

adult at all times while in a Snap Fitness Club. \_\_\_\_ (initial)

**Financial Co-Signer: I promise to pay any financial obligation** that the member does not pay for any reason and acknowledge that the banking information in this Agreement is my account. I also agree to defend and indemnify Club, Snap Fitness, Inc. or its officers and employees to the fullest extent permitted by law for any claim brought by the member. \_\_\_\_ (initial)

**Member's Right to Cancel.** If I wish to cancel this Agreement, I may cancel by delivering or mailing a written notice to the Club. The notice must say that I do not wish to be bound by the Agreement and must be delivered or mailed before midnight on the third business day after I sign this Agreement. The notice must be delivered or mailed to the address indicated above. If I cancel, the Club will return, within 10 days of the date on which I gave notice of cancellation, any payments I have made. All refunds will be by credit or check; there are no cash refunds.

**Definitions.** In this Agreement, "Club Owner" means Franchisee, LLC, an independent franchisee of Snap Fitness, Inc. "Club" means the club at which the Agreement is signed. "I" and "member" means the person(s) whose name(s) and signature(s) and initials appear on this document. Member is responsible for updating address and contact information.





**Member Obligations.** This Agreement is a legally binding obligation for which I am financially responsible. If I have a prepaid or 12-month membership, I will automatically become a month-to-month member after the pre-paid or 12-month period and will be billed the then-current monthly membership rate unless I provide notice of cancellation. A 12-month membership has an early cancellation fee of \$75. Member agrees not to conduct any kind of commercial or business activity in the Club and shall not act as a personal trainer for anyone within the Club.

**Cancellation.** After the member's right to cancel period noted earlier (if any), I may cancel my membership by delivering or mailing written notice to the Club at least 30 days in advance of the cancellation date. All membership cancellations are effective on the last day of a month. For example, if I deliver notice on June 15th, I will pay July membership dues and my membership will terminate on July 31. If I die or become totally or permanently disabled, upon reasonable written notice to the Club with proof of the death or disability, either I or my estate may cancel this Agreement and receive a prorated refund of the unused portion of the monthly membership fees.

**Physical Condition and No Medical Advice.** I represent that I am in good physical condition and have no medical reason or impairment that might prevent me from my intended use of the Club. As such, I acknowledge that neither the Club nor Snap Fitness, Inc. provided me with medical advice before I joined, and cannot give me medical advice after I join. If I have any health or medical concerns now or after I join, I will talk to my doctor before using the Club.

**Rules and Regulations.** I agree to follow the Snap Fitness membership policies and Club rules. Snap Fitness or the Club may, in its sole discretion, modify its rules or policies without notice at any time. Club rules may vary by location. All signs posted in a Club or communicated verbally are part of the rules of a Club. The Club and Snap Fitness reserve the right to refund the prorated cost of unexpired services and terminate this membership immediately for any reason or no reason whatsoever.

**Reciprocity.** Membership to the Club allows me to access other Snap Fitness® locations free of charge. My use of all Snap Fitness® locations is subject to the terms of this Agreement and I have the same obligations to any Snap Fitness® location as I have to the Club and Club Owner, including the assumption of risk and waiver of claims. I understand that if I use another Snap Fitness® location more than the Club, my membership will be transferred to that location according to the then-current membership transfer policy. If my membership is transferred, I agree my monthly dues will be the price of the new home club and I may have to sign a new membership agreement with that club.

**Guests.** I will not allow anyone besides me to use my membership access card, and I understand that I will be charged a \$20.00 per visit fee for any unauthorized guest I allow into the Club and that my access card may be deactivated or my membership terminated and a fee will be charged to activate the card or rejoin the Club. I will also be responsible for any losses, damages or liability the Club suffers because of an unauthorized guest I allow into the Club.

**Membership Freeze.** I have the right to freeze my membership for up to three months per year, during which time I will not be charged standard monthly dues. I must provide written notice by the 25th of the month before the month for which the freeze is to take effect. I will incur a \$3 processing charge for each frozen month. For prepaid or 12-month agreements, the membership will be extended one month for each month frozen. A membership cannot be cancelled during a freeze period.

**Money Back Guarantee.** If I do not feel a positive difference in my physical wellbeing within 30 days of signing this Agreement, the Club will give me my money back (enrollment fee, membership dues and access card monies). I must do the following two things – (1) work out at the Club twice per week for four weeks AND (2) attend a "Basic 8" or Fitness Score session with Club staff. To request a refund, I must send or deliver a written notice to the Club on or before the 30th day of my membership including a statement

of why I am requesting a refund. The refund does not apply to tanning, personal training, vending or merchandise purchases.

**Cell Phone Text Messaging.** I agree to receive text messages from the Club updating me on my membership benefits. I understand that I have the option to opt-out from receiving these updates by texting STOP to 24700 or replying STOP to any message to opt-out. For help I can text HELP to 24700 or reply HELP to any message. Message and data rates may apply.

**Personal E-mail Address.** I understand that I must provide a valid e-mail address to activate my free personal web page. I also will receive occasional emails from Snap Fitness updating me on my membership benefits. I may opt-out from receiving these updates by replying and requesting to be unsubscribed. I agree that Snap Fitness may use my e-mail address and other personal information as stated in the Privacy Policy available at [www.snapfitness.com](http://www.snapfitness.com).

**easyFIT.** easyFIT purchase includes one year free access to easyFIT online tools at [www.mysnapfitness.com](http://www.mysnapfitness.com). Within 10 days of purchase I may return an unopened, non-activated easyFIT monitor in its original packaging and with a receipt. Within 30 days of purchase, if I am not satisfied with the easyFIT monitor, I may return an easyFIT in working condition. To be eligible for a refund, I must (1) activate the easyFIT monitor, (2) workout at the Club twice per week for four weeks, (3) earn 20+ easyFIT points at least 15 days AND (4) attend a "Basic 8" or Fitness Score session with Club staff. The easyFIT monitor has a six month limited warranty from date of purchase with receipt. For full terms of the easyFIT warranty, see [www.snapfitness.com/easyFITwarranty](http://www.snapfitness.com/easyFITwarranty).

**Liability for Property.** The Club is not liable to me or my guest for any personal property that is damaged, lost or stolen while on or around Club premises including, but not limited to, a vehicle or its contents or any property left in a locker. If I or my guest cause any damage to the Club, I am liable to the Club for its cost of repair or replacement.

**Facilities and Services.** Club reserves the right at any time to delete, discontinue, repair or replace the facility equipment without any effect on this Agreement. The Club may be closed for up to two weeks each year for maintenance purposes.

**Video Notice.** I may not take photos or videos anywhere in the Club. I understand that the Club uses unmonitored video surveillance and access card usage is logged, which both may be retained by the Club for future use.

**No Steroids.** I understand that the Club bans the use of steroids and I agree not to use, sell or exchange steroids on the Club premises.

**Limitation of Liability.** I agree that, unless controlling legal authority requires otherwise, any award by an arbitrator or a court is limited to actual compensatory damages. I agree that, specifically, neither an arbitrator or a court can award either party any indirect, special, incidental or consequential damages, even if one party told the other party that they might suffer these.

**Miscellaneous.** This is the whole Agreement between the parties and supercedes any prior understandings or agreements of the parties whether written or oral, express or implied. This Agreement may not be amended or modified except in a writing signed by both parties.

**All members must sign below and initial the Assumption of Risk of Injury and Waiver of Claims. A parent or guardian must also sign and initial for any minor. Do not sign this Agreement until you have read all of it. Also, do not sign this Agreement if it contains any blank spaces.**

**By signing below, I affirm, understand and agree to the above terms on pages 1 and 2 in their entirety.**

Date _____	Primary Member Signature _____	Date _____	Member Signature _____
Date _____	Member Signature _____	Date _____	Member Signature _____
Date _____	Employee Signature for Franchisee, LLC d/b/a Snap Fitness _____		

This is PAGE TWO - must be signed as requested      12/10 US      White – club copy Yellow – member copy

**Member Obligations.** This Agreement is a legally binding obligation for which I am financially responsible. If I have a prepaid or 12-month membership, I will automatically become a month-to-month member after the pre-paid or 12-month period and will be billed the then-current monthly membership rate unless I provide notice of cancellation. A 12-month membership has an early cancellation fee of \$XX. Member agrees not to conduct any kind of commercial or business activity in the Club and shall not act as a personal trainer for anyone within the Club.

**Cancellation.** After the member's right to cancel period noted earlier (if any), I may cancel my membership by delivering or mailing written notice to the Club at least 30 days in advance of the cancellation date. All membership cancellations are effective on the last day of a month. For example, if I deliver notice on June 15th, I will pay July membership dues and my membership will terminate on July 31. If I die or become totally or permanently disabled, upon reasonable written notice to the Club with proof of the death or disability, either I or my estate may cancel this Agreement and receive a prorated refund of the unused portion of the monthly membership fees.

**Physical Condition and No Medical Advice.** I represent that I am in good physical condition and have no medical reason or impairment that might prevent me from my intended use of the Club. As such, I acknowledge that neither the Club nor Snap Fitness, Inc. provided me with medical advice before I joined, and cannot give me medical advice after I join. If I have any health or medical concerns now or after I join, I will talk to my doctor before using the Club.

**Rules and Regulations.** I agree to follow the Snap Fitness membership policies and Club rules. Snap Fitness or the Club may, in its sole discretion, modify its rules or policies without notice at any time. Club rules may vary by location. All signs posted in a Club or communicated verbally are part of the rules of a Club. The Club and Snap Fitness reserve the right to refund the prorated cost of unexpired services and terminate this membership immediately for any reason or no reason whatsoever.

**Reciprocity.** Membership to the Club allows me to access other Snap Fitness® locations free of charge. My use of all Snap Fitness® locations is subject to the terms of this Agreement and I have the same obligations to any Snap Fitness® location as I have to the Club and Club Owner, including the assumption of risk and waiver of claims. I understand that if I use another Snap Fitness® location more than the Club, my membership will be transferred to that location according to the then-current membership transfer policy. If my membership is transferred, I agree my monthly dues will be the price of the new home club and I may have to sign a new membership agreement with that club.

**Guests.** I will not allow anyone besides me to use my membership access card, and I understand that I will be charged a \$20.00 per visit fee for any unauthorized guest I allow into the Club and that my access card may be deactivated or my membership terminated and a fee will be charged to activate the card or rejoin the Club. I will also be responsible for any losses, damages or liability the Club suffers because of an unauthorized guest I allow into the Club.

**Membership Freeze.** I have the right to freeze my membership for up to three months per year, during which time I will not be charged standard monthly dues. I must provide written notice by the 25th of the month before the month for which the freeze is to take effect. I will incur a \$X processing charge for each frozen month. For prepaid or 12-month agreements, the membership will be extended one month for each month frozen. A membership cannot be cancelled during a freeze period.

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of why I am requesting a refund. The refund does not apply to tanning, personal training, vending or merchandise purchases.

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**Personal E-mail Address.** I understand that I must provide a valid e-mail address to activate my free personal web page. I also will receive occasional emails from Snap Fitness updating me on my membership benefits. I may opt-out from receiving these updates by replying and requesting to be unsubscribed. I agree that Snap Fitness may use my e-mail address and other personal information as stated in the Privacy Policy available at [www.snapfitness.com](http://www.snapfitness.com).

**easyFIT.** easyFIT purchase includes one year free access to easyFIT online tools at [www.mysnapfitness.com](http://www.mysnapfitness.com). Within 10 days of purchase I may return an unopened, non-activated easyFIT monitor in its original packaging and with a receipt. Within 30 days of purchase, if I am not satisfied with the easyFIT monitor, I may return an easyFIT in working condition. To be eligible for a refund, I must (1) activate the easyFIT monitor, (2) workout at the Club twice per week for four weeks, (3) earn 20+ easyFIT points at least 15 days AND (4) attend a "Basic 8" or Fitness Score session with Club staff. The easyFIT monitor has a six month limited warranty from date of purchase with receipt. For full terms of the easyFIT warranty, see [www.snapfitness.com/easyFITwarranty](http://www.snapfitness.com/easyFITwarranty).

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**Video Notice.** I may not take photos or videos anywhere in the Club. I understand that the Club uses unmonitored video surveillance and access card usage is logged, which both may be retained by the Club for future use.

**No Steroids.** I understand that the Club bans the use of steroids and I agree not to use, sell or exchange steroids on the Club premises.

**Limitation of Liability.** I agree that, unless controlling legal authority requires otherwise, any award by an arbitrator or a court is limited to actual compensatory damages. I agree that, specifically, neither an arbitrator or a court can award either party any indirect, special, incidental or consequential damages, even if one party told the other party that they might suffer these.

**Miscellaneous.** This is the whole Agreement between the parties and supercedes any prior understandings or agreements of the parties whether written or oral, express or implied. This Agreement may not be amended or modified except in a writing signed by both parties.

**All members must sign below and initial the Assumption of Risk of Injury and Waiver of Claims. A parent or guardian must also sign and initial for any minor. Do not sign this Agreement until you have read all of it. Also, do not sign this Agreement if it contains any blank spaces.**

**By signing below, I affirm, understand and agree to the above terms on pages 1 and 2 in their entirety.**

Date _____	Primary Member Signature _____	Date _____	Member Signature _____
Date _____	Member Signature _____	Date _____	Member Signature _____
Date _____	Employee Signature for (Franchisee corporate/llc business name) d/b/a Snap Fitness _____		

This is PAGE TWO - must be signed as requested      03/14 US      White – club copy      Yellow – member copy



**Exhibit G**  
**SAMPLE GENERAL RELEASE AGREEMENT**  
**(Subject to change by Snap Fitness, Inc.)**

THIS GENERAL RELEASE AGREEMENT (this “Agreement”) is made and entered into between **Snap Fitness, Inc.**, a Minnesota corporation, (“we,” “us” or “Snap Fitness”), [FRANCHISEE], a Minnesota limited liability company (“you” or “Franchisee”), and [GUARANTOR], a resident of Minnesota (a “Guarantor”). All capitalized terms not defined in this Agreement have the respective meanings set forth in the Franchise Agreement (as defined below).

**RECITALS**

- A. Snap Fitness and Franchisee are parties to a SNAP FITNESS® Franchise Agreement dated \_\_\_\_\_ (the “Franchise Agreement”) pursuant to which Franchisee operates a SNAP FITNESS Club located at \_\_\_\_\_ (the “Club”).
- B. [NOTE: Describe the circumstances relating to the release.]
- C. In consideration of [INSERT CIRCUMSTANCES] and the representations set forth in the Recitals, subject to the provisions stated below, and Franchisee and Guarantor agree to settle all known and unknown disputes they may have against Franchisor, if any, that exist as of the Effective Date.

**AGREEMENTS**

NOW, THEREFORE, in exchange for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. [NOTE: Detail the terms and conditions of the release]
2. Release and Settlement of Claims.

A. Except as may be prohibited by applicable law, Franchisee and Guarantors (individually and as owners of Franchisee), for themselves and each of their respective heirs, successors, assigns, affiliates, shareholders, directors, officers, employees and agents, and on behalf of any other party claiming an interest through them (collectively and individually referred to as the “Franchisee Parties” for purposes of this Section 2), release and forever discharge us, our predecessors, successors, affiliates, directors, officers, shareholders, agents, employees and assigns (collectively and individually referred to as the “Franchisor Parties” for purposes of this Section 2) of and from any and all claims, debts, liabilities, demands, obligations, costs, expenses, actions and causes of action, whether known or unknown, vested or contingent, which Franchisee Parties may now or in the future own or hold, that in any way relate to the Franchise Agreement, any other agreement between Franchisee and us, the Club, or the relationship between Franchisee and us through the Effective Date (collectively, “Claims”), for known or unknown damages or other losses including, but not limited to, any alleged violations of any deceptive or unfair trade practices laws, franchise laws, or other local, municipal, state, federal, or other laws, statutes, rules or regulations, and any alleged violations of the Franchise Agreement or any other agreement between Franchisee Parties and us or our affiliates through and including the Effective Date of this Agreement.

B. The release of Claims set forth in Section 2.A is intended by the Franchisee Parties to be a full and unconditional general release, as that phrase is used and commonly interpreted,

extending to all claims of any nature, whether or not known, expected or anticipated to exist in favor of the Franchisee Parties against the Franchisor Parties regardless of whether any unknown, unsuspected or unanticipated claim would materially affect settlement and compromise of any matter mentioned herein. In making this voluntary express waiver, the Franchisee Parties acknowledge that claims or facts in addition to or different from those which are now known to exist with respect to the matters mentioned herein may later be discovered and that it is the Franchisee Parties' intention to hereby fully and forever settle and release any and all matters, regardless of the possibility of later discovered claims or facts. The Franchisee Parties acknowledge that they have had adequate opportunity to gather all information necessary to enter into this Agreement and Release and need no further information or knowledge of any kind that would otherwise influence the decision to enter into this Agreement. The Franchisee Parties acknowledge and agree that the foregoing waiver is an essential, integral and material term of this Agreement. The Franchisee Parties further acknowledge and agree that no violation of this Agreement shall void the release set forth in this Section 2.

3. Miscellaneous. This Agreement, and the documents referred to herein, constitute the entire agreement among the parties with respect to the subject matter hereof. No amendment will be binding unless in writing and signed by the party against whom enforcement is sought. All representations, warranties, agreements and all other provisions of this Agreement which by their terms or by reasonable implication are intended to survive the closing of this transaction will survive it.

4. Representation by Counsel. The parties have had adequate opportunity to consult with an attorney of their respective choice, including with respect to the release of Claims set forth herein.

5. Governing Law/Venue. This Agreement will be construed and enforced in accordance with the laws of the State of Minnesota, without regard to principles of conflicts of law. The parties further agree that any legal proceeding relating to this Agreement or the enforcement of any provision herein shall be brought or otherwise commenced only in the State or Federal courts of Minnesota.

6. Counterparts. This Agreement may be executed by the parties hereto in counterparts, and delivered by e-mail or facsimile, each of which shall be deemed to be an original instrument, but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the Effective Date.

**US:**

SNAP FITNESS, INC.

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

Printed Name: Peter Taunton

Title: President

Date: \_\_\_\_\_

**FRANCHISEE:**

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

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**GUARANTOR:**

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

Printed Name: \_\_\_\_\_

Date: \_\_\_\_\_

**EXHIBIT H**  
**SAMPLE FINANCING DOCUMENTS**

|

**EXHIBIT H-1**  
**Lease Servicing Center Sample Equipment Lease Agreement**

EQUIPMENT LEASE AGREEMENT

Lease #Federal Tax #

This document was written in “Plain English”. The words YOU and YOUR refer to the customer. The words WE, US and OUR refer to the Leasing Company. Every attempt has been made to eliminate confusing language and create a simple, easy-to-read document.

CUSTOMER INFORMATION

FULL LEGAL NAME OF CUSTOMER:		STREET ADDRESS:	
CITY:	STATE:	ZIP:	PHONE:

EQUIPMENT LOCATION (IF DIFFERENT FROM ABOVE)

STREET:	CITY:	STATE / ZIP:	COUNTY:
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SUPPLIER INFORMATION

NAME OF SUPPLIER:		STREET ADDRESS:	
CITY:	STATE:	ZIP	PHONE:

LEASING COMPANY INFORMATION

NAME OF LEASING COMPANY:		STREET ADDRESS:	
CITY:	STATE:	ZIP:	PHONE:

EQUIPMENT INFORMATION

Quantity	Item Description	Model #	Serial #

PAYMENT INFORMATION

Advance Payment	\$	Received	* Plus Applicable Taxes	Security Deposit	\$	Received
Term in months from Rent Commencement Date: (Rent Commencement Date is date Leasing Company pays for Equipment)						
0	# PAYMENTS	\$	BASIC RENT PAYMENT	* TAX	\$	TOTAL
0	# PAYMENTS	\$	BASIC RENT PAYMENT	* TAX	\$	TOTAL
0	# PAYMENTS	\$	BASIC RENT PAYMENT	* TAX	\$	TOTAL

END OF LEASE OPTIONS

You will have the following options at the end of the original term, provided the lease has not terminated early and no event of default under the lease has occurred and is continuing.

1. Purchase the equipment for \$1.00.
2. Renew the lease per Paragraph one of this lease.
3. Return the equipment as provided in Paragraph seven of this lease.
4. Other options attached, if any. See attached purchase option.

YOU ACKNOWLEDGE THAT YOU, NOT THE LEASING COMPANY, HAVE SELECTED THE EQUIPMENT FROM AN INDEPENDENT SUPPLIER. THIS AGREEMENT CAN'T BE CANCELED OR REVOKED FOR ANY REASON, EVEN IF YOU DON'T OR CAN'T USE THE EQUIPMENT.

1. MASTER AGREEMENT. You agree to rent from us the personal property described under “ ITEM DESCRIPTION’ above and in any supplements of this Master Agreement signed by both you and us from time to time (such property with any upgrades, substitutions and additions is referred to as “Equipment”). You agree to all of the terms and conditions contained in this Agreement and any supplement, which together are the complete and exclusive statement of your rights and remedies (“Agreement”).

THIS SECTION IS TO BE FILLED OUT BY THE LEASING COMPANY

LEASING COMPANY ACCEPTANCE

Date
Lease Servicing Center, Inc.
Leasing Company
Signature
Title

ADDITIONAL PROVISIONS OF YOUR AGREEMENT PRINTED ON THE REVERSE SIDE OF THIS PAGE ARE JUST AS IMPORTANT AS THOSE PRINTED ABOVE. YOUR SIGNATURE WARRANTS YOU'VE READ THE REVERSE SIDE TOO.

CUSTOMER ACCEPTANCE

X
Date
Customer
X
Signature of
Title

1. This Agreement may be modified only by another written agreement and not by your conversations with us, or your behavior or our behavior in conducting business with each other. The term of this Agreement will begin on the date we sign the lease (called the "Rent Commencement Date") and will continue from the first day of the following month for the number of consecutive months shown. The number of consecutive months during which you pay Rent, called the "term" will be extended automatically for successive 12-month periods unless you send us written notice you do not want it renewed at least thirty (30) days before the end of any term. If any court declares a provision of this Agreement unenforceable, that court shall enforce the remaining provisions just as if the unenforceable provision had never been part of the Agreement.
2. **RENT:** Rent will be payable in installments, in advance, each in the payment amount described as Basic Rent in "PAYMENT INFORMATION" plus applicable sales and use tax, plus 1/12<sup>th</sup> of the yearly amount estimated by us to be personal property tax on the Equipment for each year of this Agreement with the first payment due on the rent commencement date. You will pay the security deposit on the date you sign this Agreement. We will have the right to apply all sums received from you, to any amounts due and owed to us under the terms of this Agreement. Even if the Agreement is terminated before Basic Rent is due, the security deposit will be retained by us to compensate us for our documentation, processing and other expenses.
3. **COMPUTER SOFTWARE:** Notwithstanding any other terms and conditions of the Agreement, you agree that as to software only: a) We have not had, do not have, nor will have any title to such software, b) You have executed or will execute a separate software license agreement to which we are not a party and have no responsibilities whatsoever in regards to such license agreement, c) You have selected such software and as per Agreement paragraph 5, **WE MAKE NO WARRANTIES OF MERCHANTABILITY OR FITNESS FOR USE AND TAKE ABSOLUTELY NO RESPONSIBILITY FOR THE FUNCTION OR DEFECTIVE NATURE OF SUCH SOFTWARE.**
4. **OWNERSHIP OF EQUIPMENT:** You acknowledge that we have purchased the equipment at your request for your use, but do not intend to transfer ownership of the Equipment to you. You have the right to use the Equipment and to exercise your End of Lease Options only so long as you keep all your promises to us under this Agreement. You agree that we have sole title to the Equipment (excluding software).
5. **WARRANTIES: TO THE EXTENT PROVIDED BY ARTICLE 2A OF THE UNIFORM COMMERCIAL CODE (THE "U.C.C.") OR OTHER LAW, YOU MAY ENJOY WARRANTIES MADE BY THE MANUFACTURER OR SUPPLIER OF THE EQUIPMENT. WE ARE NEITHER THE MANUFACTURER, NOR THE SUPPLIER. WE MAKE NO WARRANTY THAT THE EQUIPMENT IS FIT FOR A PARTICULAR PURPOSE OR THAT THE EQUIPMENT IS MERCHANTABILITY. YOU AGREE THAT YOU HAVE SELECTED THE SUPPLIER AND EACH ITEM OF EQUIPMENT BASED UPON YOUR OWN JUDGMENT AND DISCLAIM ANY RELIANCE UPON ANY STATEMENTS OR REPRESENTATIONS MADE BY ANY SUPPLIER OR BY US. WE DO NOT TAKE RESPONSIBILITY FOR THE INSTALLATION OR PERFORMANCE OF THE EQUIPMENT. THE SUPPLIER IS NOT AN AGENT, ASSIGNEE, OR ASSIGNOR OF OURS AND NOTHING THE SUPPLIER STATES CAN AFFECT YOUR OBLIGATIONS UNDER THE AGREEMENT.**
6. **FINANCE LEASE STATUS:** You agree this agreement evidences a "finance lease" under MSA 336.2A-103(g) as amended. You acknowledge that, a)you, rather than us, selected the equipment from an independent Supplier; and b) you have received a copy of the contract showing our purchase of the equipment from the Supplier." **TO THE EXTENT PERMITTED BY APPLICABLE LAW, YOU WAIVE ANY AND ALL RIGHTS AND REMEDIES OTHER THAN BENEFITS UNDER MANUFACTURER'S OR SUPPLIER'S WARRANTIES, CONFERRED UPON YOU BY ARTICLE 2A (508-522) OF THE U.C.C**
7. **LOCATION OF EQUIPMENT:** You will keep and use the Equipment only at your address shown above and you agree not to move it unless we agree to it. At the end of the Agreement's term, you will return the Equipment to a location we specify at your expense, in retail resalable condition, full working order, and in complete repair.
8. **LOSS OR DAMAGE:** You are responsible for the risk of loss or destruction of or damage to the equipment. No such loss or damage relieves you from the payment obligations under this Agreement. You will use the Equipment with due care and for the purpose for which it is intended. You will maintain the Equipment in good repair, condition and working order, and will furnish, at your expense; all parts and services needed. All furnished parts will immediately become our property and part of the Equipment of this lease. You agree to promptly notify us in writing of any loss or damage and you will pay to us the present value of the total of all unpaid lease payments for the full lease term plus the estimated fair market value of the Equipment at the end of the originally scheduled term, all discounted at six percent (6%) per year. Any proceeds of insurance will be paid to us and applied, at our option, against any loss or damage.
9. **COLLATERAL PROTECTION AND INSURANCE:** You agree to keep the equipment fully insured against loss with us as loss payee in an amount not less than the replacement cost until this Agreement is terminated. You also agree to obtain a general public liability insurance policy from anyone who is acceptable to us and to include us as an insured on the policy. You agree to provide us certificates or other evidence of insurance acceptable to us, before this Agreement begins or, should you wish us to waive this requirement we will bill you and you will pay a monthly property damage surcharge of up to .0035 of the original equipment cost related to our administrative costs, and credit risk and other costs and on which we may make a profit. As long as you are not in default at the time of the loss (excluding losses resulting from intentional acts), the remaining balance owed on the Agreement will be forgiven. You cannot be in default and benefit from this program. **NOTHING IN THIS PARAGRAPH WILL RELIEVE YOU OF YOUR RESPONSIBILITY FOR INSURANCE COVERAGE ON THIS EQUIPMENT.**
10. **INDEMNITY.** We are not responsible for any loss or injuries caused by the installation or use of the Equipment. You agree to hold us harmless and reimburse us for loss and to defend us against any claim for losses or injury caused by the Equipment.
11. **TAXES AND FEES:** You agree to pay when due all taxes (including personal property tax, fines and penalties) and fees relating to this Agreement or the Equipment. If we pay any of the above for you, you agree to reimburse us and to pay us a processing fee for each payment we make on your behalf. In addition, you also agree to pay us any filing fees prescribed by the Uniform Commercial Code or other law and reimburse us for all costs and expenses involved in documenting and servicing this transaction. You further agree to pay us an origination fee in an amount up to \$500 on the date the first payment due. You also acknowledge that in addition to the lease payments, we may assess and you may be required to pay additional taxes and/or fees. Such fees many not only cover our costs they may also include a profit
12. **ASSIGNMENT: YOU HAVE NO RIGHT TO SELL, TRANSFER, ASSIGN OR SUBLEASE THE EQUIPMENT OR THIS AGREEMENT.** We may sell, assign, or transfer this Agreement. You agree that if we sell, assign, or transfer this Agreement, the new Leasing Company will have the same rights and benefits that we have now and will not have to perform any of our obligations. You agree that the rights of the new Leasing Company will not be subject to any claims, defenses, or setoffs that you may have against us.
13. **DEFAULT AND REMEDIES:** If you do not pay any lease payment or other sum due to us or other party when due or if you break any of your promises in the Agreement or any other agreement with us, you will be in default. In addition, we may declare you in default if any financial information you've given us in relation to this Agreement is materially untrue; if a Personal Guarantor dies, or you or a Personal Guarantor becomes insolvent or the object of bankruptcy proceedings. If any part of a payment is late, you agree to pay a late charge of 15% of the payment which is late or \$15.00, whichever is greater, or the maximum charge allowed by law, if less. If you are ever in default, we may retain your security deposit and at our option, we can terminate or cancel this Agreement and require that you immediately pay the remaining balance of this Agreement including any purchase option (discounted at 6%) and/or return the equipment to us. We may recover interest on the unpaid balance at the rate of 8% per annum. We may also use any of the remedies available to us under Article 2A of the U.C.C. as enacted in the State of Minnesota or any other law. If we refer this Agreement to an attorney for collection, you agree to pay our reasonable attorney's fees and actual court costs. If we have to take possession of the equipment, you agree to pay the cost of repossession. **YOU AGREE THAT WE WILL NOT BE RESPONSIBLE TO PAY YOU ANY CONSEQUENTIAL OR INCIDENTAL DAMAGES FOR ANY DEFAULT BY US UNDER THIS AGREEMENT.** You agree that any delay or failure to enforce our rights under this Agreement does not prevent us from enforcing any rights at a later time.
14. **FINANCIAL STATEMENTS.** You agree to provide updated financial information (including financial statements conforming to generally accepted accounting principles and/or tax returns) promptly upon the Leasing Company's request.
15. **SECURITY DEPOSIT.** The security deposit is to secure your performance under this Agreement. You grant us a security interest in it under law called the Uniform Commercial Code. You agree we may deposit the security deposit in our general accounts along with money belonging to us. We will not be required to pay interest on the security deposit. Any security deposit made may be applied by us to satisfy any amount owed by you, in which event you will promptly restore the security deposit to its full amount as set forth above. If all conditions herein are fully complied with and provided you have not ever been in default of this Agreement per paragraph 13, the security deposit will be refunded to you after the return of the equipment in accordance with paragraph 7.
16. **LAW.** You agree that this Agreement has been fully signed at our principal place of business. It will be governed by and interpreted in relation to the internal state laws, without regard to principles of conflict of laws, of our principal place of business, being Minnesota. If it is necessary for us to get help from a court to enforce your promises under this Agreement, you expressly consent to a court trial decided by any state or federal court, without a Jury, whose territorial jurisdiction covers our principal place of business, or if we assign our interest in the Agreement, assignee's place of business, or any other court chosen by us or our assignee which has jurisdiction over you.
17. **LIMITED PREARRANGED AMENDMENTS; U.C.C. FILINGS; SPECIFIC POWER OF ATTORNEY.** In the event it is necessary to amend the terms of this Agreement to reflect a change in one or more of the following conditions: (a) a change in rental payments to reflect a change in our actual cost of procuring the Equipment for your use under the terms of our purchase agreement with the Supplier or (b) description of the Equipment, you agree that any such amendment shall be described in a letter from us to you and unless within 15 day after the date of such letter you object in writing to us, this Agreement shall be deemed amended and such amendments incorporated herein as if originally set forth. **YOU APPOINT US YOUR ATTORNEY-IN-FACT AND AUTHORIZE US TO SIGN AND FILE, ON YOUR BEHALF, ANY DOCUMENT WE DEEM NECESSARY TO PERFECT OR PROTECT OUR INTEREST IN THE EQUIPMENT, INCLUDING U.C.C. FINANCING STATEMENTS OR AMENDMENTS, INSERT A DATE IN "ACCEPTANCE OF DELIVERY", IF BLANK, CONFORMING TO YOUR ORAL STATEMENT OF ACCEPTANCE, AND FURTHER, TO SIGN, ENDORSE OR NEGOTIATE FOR OUR BENEFIT ANY INSTRUMENT REPRESENTING PROCEEDS FROM ANY POLICY OF INSURANCE COVERING THE EQUIPMENT.**
18. **Titling and Registration:** We are owners of the equipment and should it be a titled vehicle, you guarantee that the physical titling will be accomplished in a timely manner. You also agree to provide us with the original title documentation. This will be provided within 15 days of when you receive it from the titling authority. If you should fail to do so, you will be in default of this lease. You further agree to pay a month-to-month unattained titling fee if we have not received the correct transferred title in our office.

X

Signature of

Customer



**OPTION OF LESSEE**  
**\$1.00 PURCHASE OPTION**

Lease # \_\_\_\_\_ between Lease Servicing Center, Inc., Leasing Company and its assigns,  
and \_\_\_\_\_, Customer

Provided the lease has not terminated early and no event of default has occurred, customer shall have the following option at the end of the original term.

**BUY:** Purchase the equipment for \$1.00.

This amount is payable in a single sum immediately upon expiration of the lease.

**OR**

**RETURN:** Return the equipment to a location designated by Leasing Company.

The options provided for in this \$1.00 Purchase Option supersede all other options contained in the original Agreement.

**Lease Servicing Center, Inc.**

Leasing Company

Signature

Title

Customer

X

Signature of

Title

**NOTE: SIGNATURE MUST BE SAME AS ON LEASE**

# PERSONAL GUARANTY

To induce, Lease Servicing Center, Inc. and its assigns to lease equipment to \_\_\_\_\_ pursuant to Lease No #. \_\_\_\_\_ and all Supplements thereto.

1. The undersigned hereby absolutely and unconditionally guarantees to owner full and prompt payment and performance when due of each and every obligation of customer under the Lease.
2. The undersigned hereby waives (i) notice of the acceptance hereof by Owner and of the creation and existence of the Lease and (ii) any and all defenses otherwise available to a guarantor or accommodation party.
3. This Guaranty is absolute and unconditional, and the liability of the undersigned hereunder shall not be affected or impaired in any way by any of the following; each of which Owner may agree to without the consent of the undersigned: (a) any extension or renewal of the lease whether or not for longer than the original period; (b) any change in the terms of payment or other terms of the Lease or any collateral therefore or any exchanged, release of, failure to obtain any collateral therefore, (c) any waiver or forbearance granted to customer or any other or any other person; and (d) the application or failure to apply in any particular manner any payments or credits on the Lease or any other obligation customer may owe to owner.
4. Owner shall not be required before exercising and enforcing its rights under the Guaranty first to resort for payment under the Lease to customer or to any other person or to any collateral. The undersigned agrees not to obtain reimbursement or payment from customer or any other person obligated with respect to the Lease or from any collateral for the Lease until the obligations under the Lease have been fully satisfied.
5. The undersigned shall be and remain liable for any deficiency following foreclosure of any mortgage or security interest securing the Lease whether or not the liability or customer under the Lease is discharged by such foreclosure.
6. The undersigned shall be and remain liable for any deficiency following the initiation of bankruptcy or other insolvency actions affecting the Lease or the customer, whether or not the liability of the customer is discharged in whole or in part by such action.
7. The undersigned agrees to pay all costs, expenses and attorneys' fees paid or incurred by owner in endeavoring to enforce the Lease and this Guaranty.
8. If any payment from the customer or anyone else is applied to the Lease and is thereafter set aside, recovered, rescinded, or required to be returned for any reason (including as a preference in the bankruptcy of customer), the obligations under the Lease to which such payment was applied shall for purposes of this Guaranty be deemed to have continued in existence notwithstanding such applications, and this guaranty shall be enforceable as to such obligations as fully as if such applications had never been made.
9. If more than one person signs this Guaranty, then the liability of the undersigned hereunder shall be joint and several, and this Guaranty shall be enforceable in full against each of the undersigned.
10. This Guaranty shall be binding upon the estate, heirs, successors and assigns of the undersigned, and shall inure to the benefit of the successors and assigns of owner.
11. By signing this Personal Guaranty, the undersigned authorizes owner to obtain their Credit Bureau Reports for credit and collections purposes.

**CONSENT TO LAW, JURISDICTION AND VENUE.** The subject Lease shall be deemed fully executed and performed in the state of owner's or its Assignee's principal place of business and shall be governed by and construed in accordance with the law thereof. If the owner or its Assignee shall bring any judicial proceeding in relation to any matter arising under the Lease Agreement and/or this guaranty, the undersigned hereby irrevocably agrees that any such matter may be adjudged or determined in any court or courts in the state of the owner's or its Assignee's principal place of business, or any U.S. federal court sitting in the state of the owner's or its Assignee's principal place of business, or in any court or courts in customer's state of residence, or in any other court having jurisdiction over the customer or assets of the customer, all at the sole election of the owner. The undersigned hereby irrevocably submits generally and unconditionally to the jurisdiction of any such court so elected by owner or its Assignee in relation to such matters.

\_\_\_\_\_  
Date

\_\_\_\_\_  
Name of Guarantor

  X    
\_\_\_\_\_  
Signature of

\_\_\_\_\_  
Address

\_\_\_\_\_  
City / State / Zip Code

## DELIVERY AND ACCEPTANCE CERTIFICATE

Equipment Lease Agreement # \_\_\_\_\_ between Lease Servicing Center, Inc., Lessor, and \_\_\_\_\_ Lessee.

You certify that all the Equipment listed in said Equipment Lease Agreement has been furnished and that delivery and installation has been fully completed and satisfactory. Further, all conditions and terms of said Equipment Lease Agreement have been reviewed and acknowledged. Upon your signing below, your promises herein will be irrevocable and unconditional in all respects. You understand and agree that we have purchased the Equipment from the supplier, and you may contact the supplier for your warranty rights, if any, which we transfer to you for the term of this lease. Your approval as indicated below of our purchase of the Equipment from supplier is a condition precedent to effectiveness of this lease.

\_\_\_\_\_  
Delivery Date

\_\_\_\_\_  
Customer

**X**  
\_\_\_\_\_  
Signature of

\_\_\_\_\_  
Title

## EQUIPMENT SCHEDULE “A”

LEASE #:

This Equipment Schedule "A" is to be attached to and become part of the Master Agreement dated \_\_\_\_\_ by and between Lease Servicing Center, Inc., and its assigns and the undersigned, \_\_\_\_\_.

[illegible]

This Equipment Schedule "A" is hereby verified as correct by the undersigned Customer, who acknowledges receipt of a copy. The undersigned gives Lease Servicing Center, Inc. authorization to insert Serial Numbers into Equipment Schedule "A" upon installation of all equipment and receipt of final invoices.

Customer:

Signature: \_\_\_\_\_

Title:

## Schedule “D”

LEASE #:

This Schedule “D” is to be attached to and become part of the Equipment Lease Agreement dated \_\_\_\_\_.  
This Schedule “D” is a description of the Suppliers for this Equipment Lease Agreement.

Supplier Information:

This Schedule “D” is hereby verified as correct by the undersigned Customer, who acknowledges receipt of a copy.

Customer: \_\_\_\_\_

Signature:   **X**    
Signature of

Title: \_\_\_\_\_

## RESOLUTION OF BOARD OF DIRECTORS

I, \_\_\_\_\_, Secretary of \_\_\_\_\_, a corporation, and keeper of its records and corporate seal, do hereby certify that the following is a true and correct copy of a resolution duly adopted at a regular special (strike one) meeting of the Board of Directors of said corporation duly convened in accordance with the by-laws, on \_\_\_\_\_.

RESOLVED: That

Name	Title
------	-------

Name	Title
------	-------

of this corporation, or any \_\_\_\_\_ one/division \_\_\_\_\_ of them, be and they are hereby authorized for and on behalf of this corporation, to lease equipment from Lease Servicing Center, Inc. or its assigns.

FURTHER RESOLVED: That the said officer(s), be and they are hereby authorized, from time to time, to execute and deliver to Lease Servicing Center, Inc. or its assigns, for and on behalf of this corporation, all the necessary instruments evidencing said leases, including notes, mortgages, assignments, and other income and assets, all upon such terms and conditions as to them shall seem proper.

FURTHER RESOLVED: That the foregoing resolution shall remain in effect until written notice of amendment or rescission shall have been received by Lease Servicing Center, Inc. or its assigns and that receipt of such notice shall not affect any action taken prior thereto.

I, \_\_\_\_\_, do hereby certify that I am the duly elected and qualified secretary and custodian of the records and corporate seal of \_\_\_\_\_.

A corporation organized and existing under and by the virtue of the laws of the state of \_\_\_\_\_, that the foregoing is a true and correct copy of a certain resolution duly adopted in accordance with law and the by-laws of said corporation,

At a meeting of the Board of Directors of said Corporation convened and held at its office at \_\_\_\_\_ on \_\_\_\_\_, at which meeting a quorum was present, and that such resolutions is now in full force and effect, and is duly recorded in the minutes of said meeting.

IN WITNESS WHEREOF, I have affixed my name and Secretary and caused the corporate seal of said Corporation to hereunto affixed, on \_\_\_\_\_.

“SEAL”

\_\_\_\_\_  
Secretary

## AUTHORIZATION AGREEMENT FOR ACH TRANSACTIONS

I (we) hereby authorize **Lease Servicing Center, Inc.** to initiate **debit** entries to my (our) account(s) as indicated below and the financial institution name below, hereinafter called Financial Institution, to **debit** the same to such account. I (we) agree to have available funds in my (our) account on the designated date to effect this transfer. I (we) agree to pay any applicable fees for this service as disclosed in the Fee Schedule I (we) acknowledge that the origination of ACH transactions to my (our) account must comply with the provisions of U.S. law.

Lease / Agreement # \_\_\_\_\_

\_\_\_\_\_  
(Financial Institution Name - sending to)

\_\_\_\_\_  
(Address / City / State / Zip)

Type of Account:    \_\_\_\_\_ Checking    \_\_\_\_\_ Savings

\_\_\_\_\_  
(Routing Number)

\_\_\_\_\_  
(Account Number)

Type of Transaction      x   Debit    \_\_\_\_\_ Credit    \_\_\_\_\_ Loan    Payment Amt    \_\_\_\_\_ @    \_\_\_\_\_  
Transaction Fee    \_\_\_\_\_  
Transaction Amt    \_\_\_\_\_ @    \_\_\_\_\_ \*

\* Plus applicable taxes, late charges and renewal payments

(Frequency of Transfer) \_\_\_\_\_ (Date/Day of Transfer) \_\_\_\_\_ and applicable fees.

If this date falls on a Saturday, Sunday, or bank holiday, this transfer will automatically be made on the following business day. **There will be a \$25.00 fee for all ACH items returned to us.**

Lease Servicing Center will make every effort to complete this transfer unless circumstances beyond our control prevent the transfer, despite reasonable precautions that we have taken. All terms and conditions of your account agreement apply to this agreement.

\_\_\_\_\_  
(Customer Name)

\_\_\_\_\_  
(Date)

\_\_\_\_\_  
(Individual ID Number)

  X  

\_\_\_\_\_  
(Signature of )

\_\_\_\_\_  
(Individual ID Number)

\_\_\_\_\_  
(Customer Name - if applicable)

\_\_\_\_\_  
(Individual ID Number)

**\*\*Please attach a voided check.....**

## INSURANCE VERIFICATION

DATED: \_\_\_\_\_

Lease #

Lease Servicing Center, Inc.  
220 22<sup>nd</sup> Ave E, Ste 106  
Alexandria, MN 56308

This is to confirm that the equipment leased under Master Lease Agreement dated \_\_\_\_\_ is or will be covered as required under the Lease (as defined under the Master Lease Agreement) for bodily injury, property damage and physical damage coverage, and other such risks as required by law. Coverage shall in all ways be as stated in the then current SAPP Coverage Summary (example attached) as updated from time to time. **Lease Servicing Center, Inc., and/or its successors or assigns, is to be named as Additional Insured and Loss Payee on the property coverage. Thirty (30) days notice prior to CANCELLATION is to be given to Lease Servicing Center, Inc.**

INSURANCE CO.: \_\_\_\_\_

POLICY NUMBER: \_\_\_\_\_

AGENCY NAME: \_\_\_\_\_

AGENT NAME: \_\_\_\_\_

ADDRESS: \_\_\_\_\_

FAX NUMBER \_\_\_\_\_

PHONE NUMBER: \_\_\_\_\_

Sincerely,

\_\_\_\_\_  
(Lessee's Name)

By: \_\_\_\_\_  
(Signature of Officer of Lessee)

Title: \_\_\_\_\_



## Signer Identification Addendum

(Must Be Completed For All Signers)

Lease #:

Please include a copy of your valid driver's license including photo and signature. (Front and back may be required in certain states)

ATTACH PHOTO IDENTIFICATION WITH SIGNATURE

Photocopy Clear & Legible Driver's License Here

X \_\_\_\_\_  
Signature of Driver's License Bearer,

## **ASSIGNMENT OF FRANCHISE AGREEMENT AND FRANCHISOR'S CONSENT**

THIS ASSIGNMENT OF FRANCHISE AGREEMENT AND FRANCHISOR'S CONSENT, made (the "Assignment"), by \_\_\_\_\_, an [Individual, corporation, LLC], (individually and collectively the "Lessee"), to Lease Servicing Center, Inc., a Minnesota corporation.

WITNESSETH:

WHEREAS, the Assignee and the Lessee have agreed that the Assignee shall lease to Lessee equipment pursuant to a Master Lease Agreement between them dated as of the date hereof (the "Agreement");

WHEREAS, to secure prompt payment when due of all amounts and performance of all covenants, obligations, terms and conditions to be paid, kept and performed by Lessee under the Agreement and all Leases (as defined in the Master Lease Agreement) currently or subsequently entered into thereunder between Lease Servicing Center, Inc., including any of its affiliates, subsidiaries, successors and assigns (the "Assignee"), and Lessee (the Master Lease Agreement and all Leases, Schedules and attachments thereto (all as defined in the Master Lease Agreement) individually and collectively referred to as the "Lease"), the Lessee has granted the Assignee a security interest in certain assets of the Lessee pursuant to a security agreement, dated as of the date hereof (the "Security Agreement"); and

WHEREAS, the Assignee has required, as a condition of its entering into the Lease and pursuant to the Lease, that the Lessee further secure the Lease and Lessee's obligations thereunder by this Assignment and that the Franchisor consent to this Assignment;

NOW, THEREFORE, in consideration of the foregoing and other good and valuable consideration which is hereby acknowledged, the Lessee does hereby make this Assignment to the Assignee and the Franchisor does hereby consent to such Assignment as follows:

The Lessee does hereby sell, assign, transfer and set over unto the Assignee all of the Lessee's right, title and interest in and to the franchise agreement(s) listed below: (collectively and individually the "Franchise Agreement")

No. \_\_\_\_\_ dated \_\_\_\_\_, between \_\_\_\_\_, as franchisee, and Snap Fitness, Inc., as franchisor (the "Franchisor").

The Lessee warrants and covenants that it has good right to sell transfer and assign the Franchise Agreement.

The Assignee, and the Franchisor by executing the consent to this Assignment, agree that the Assignee does not assume any of the obligations or duties of the Lessee under or with respect to the Franchise Agreement unless and until the Assignee shall have given to the Franchisor written notice that it has affirmatively exercised its rights under this Assignment after the occurrence of a default by Lessee under the Lease. The Assignee may reassign its right, title and interest in the Franchise Agreement to any persons or entities in the Assignee's discretion upon notice to the Lessee but without any further requirement for the Lessee's consent, and any such reassignment shall be valid and binding upon the Lessee and as fully as if Assignee had expressly approved the same. Assignee must obtain Franchisor's consent to such assignment and comply with all transfer conditions in the Franchise Agreement.

The Lessee represents and warrants that there have been no prior assignments of the Franchise Agreement, that the Franchise Agreement is a valid and enforceable agreement, that neither party is in default to the other thereunder and that all covenants, conditions and agreements have been performed as required therein, except those not due to be performed until after the date hereof. The Lessee agrees not to assign, sell, pledge or otherwise transfer or encumber its interest in the Franchise Agreement so long as this Assignment is in effect.

The Lessee hereby irrevocably constitutes and appoints the Assignee as its attorney-in-fact to demand, receive, and enforce the Lessee's rights with respect to the Franchise Agreement, to make payments under the Franchise Agreement and give appropriate receipts, releases and satisfactions for and on behalf of and in the name of the Lessee or, at the option of Assignee, in the name of the Assignee, with the same force and effect as the Lessee could do if this Assignment had not been made.

This Assignment is for security purposes only. Accordingly, the Assignee shall have no right under this Assignment to enforce the provisions of the Franchise Agreement until the Lessee shall be in default under its obligations to the Assignee under the Lease, Security Agreement, Guarantee or any instrument, document or agreement related thereto. Upon the occurrence of any such default, the Assignee may, without affecting any of its rights or remedies against the Lessee under any other instrument, document or agreement, exercise its rights under this Assignment as the Lessee's attorney-in-fact or in any other manner permitted by law and, in addition, the Assignee shall have and possess, without limitation, any and all rights and remedies of a secured party under the Uniform Commercial Code, as enacted in the jurisdiction where enforcement is sought, or otherwise provided by law.

The Lessee hereby agrees to indemnify and hold the Assignee harmless from and against any and all claims, demands, liabilities, losses, lawsuits, judgments, and costs and expenses (including without limitation, attorneys' fees) to which the Assignee may become exposed, or which the Assignee may incur, in exercising any of its rights under this Assignment.

Subject to the aforesaid limitation on further assignment by the Lessee, this Assignment shall be binding upon and inure to the benefit of the heirs, legal representatives, assigns, and successors in interest of the Lessee, the Assignee and the Franchisor.

IN WITNESS WHEREOF, the Lessee has executed this Assignment of Franchise Agreement on the day and year first above written.

## ASSIGNMENT OF PREMISES LEASE

THIS ASSIGNMENT OF PREMISES LEASE, made (the "Assignment"), by \_\_\_\_\_, an [Individual, corporation, LLC] (individually and collectively the "Lessee"), to Lease Servicing Center, Inc., a Minnesota corporation ("Lessor")

WITNESSETH:

WHEREAS, the Lessor and \_\_\_\_\_ ("Lessee") have agreed that the Lessor shall lease to Lessee equipment pursuant to a Master Lease Agreement between them dated as of the date hereof (the "Master Lease Agreement");

WHEREAS, to secure prompt payment when due of all amounts and performance of all covenants, obligations, terms and conditions to be paid, kept and performed by Lessee under the Master Lease Agreement and all Leases (as defined in the Master Lease Agreement) currently or subsequently entered into thereunder between Lease Servicing Center, Inc. including any of its affiliates, subsidiaries, successors and assigns (the "Lessor"), and Lessee (the Master Lease Agreement and all Leases, Schedules and attachments thereto (all as defined in the Master Lease Agreement) individually and collectively referred to as the "Equipment Lease"), the Lessee has granted the Lessor a security interest in certain assets of the Lessee pursuant to a security agreement, dated as of the date hereof (the "Security Agreement"); and

WHEREAS, the Lessor has required, as a condition of its entering into the Equipment Lease and pursuant to the Equipment Lease, that the Lessee further secure the Equipment Lease and Lessee's obligations thereunder by this Assignment;

NOW, THEREFORE, in consideration of the foregoing and other good and valuable consideration which is hereby acknowledged, the Lessee does hereby make this Assignment to the Lessor as follows:

The Lessee does hereby sell, assign, transfer and set over unto the Lessor all of the Lessee's right, title and interest in and to the premises leases listed below (individually and collectively the "Premises Lease"):

Dated \_\_\_\_\_, made by the Lessee, as tenant, and \_\_\_\_\_ as landlord (the "Landlord").

The Lessee warrants and covenants that it has good right to sell transfer and assign the Premises Lease.

The Lessor does not assume any of the obligations or duties of the Lessee under or with respect to the Premises Lease unless and until the Lessor shall have given to the Landlord written notice that it has affirmatively exercised its rights under this Assignment after the occurrence of a default by Lessee under the Equipment Lease. Upon giving such notice, Lessor may, at Lessor's sole discretion, assume the Premises Lease as is, or may negotiate with the Landlord terms more favorable to Lessor. In the event of such assignment, Lessor shall assume no liability for monies owed or other liabilities relating to the Premises Lease that have accrued prior to the effective date of the notice provided by Lessor. The Lessor may reassign its right, title and interest in the Premises Lease to any persons or entities in the Lessor's discretion upon notice to the Lessee and the Landlord but without any further requirement for the Lessee's consent, and any such reassignment shall be valid and binding upon the Lessee as fully as if it had expressly approved the same.

The Lessee represents and warrants that, other than as provided in the lease addendum to the Franchise Agreement, there have been no prior assignments of the Premises Lease, that the Premises Lease is a valid and enforceable agreement, that neither party is in default to the other there under and that all covenants, conditions and agreements have been performed as required therein, except those not due to be performed until after the date hereof. No change in the terms of the Premises Lease shall be valid without the written approval of Lessor. The Lessee agrees not to assign, sell, pledge or otherwise transfer or encumber its interest in the Premises Lease so long as this Assignment is in effect.

The Lessee hereby irrevocably constitutes and appoints the Lessor as its attorney-in-fact to demand, receive, and enforce the Lessee's rights with respect to the Premises Lease, to renegotiate the Premises Lease, to make payments under the Premises Lease and give appropriate receipts, releases and satisfactions for and on behalf of and in the name of the Lessee or, at the option of Lessor, in the name of the Lessor, with the same force and effect as the Lessee could do if this Assignment had not been made.

This Assignment is for security purposes only. Accordingly, the Lessor shall have no right under this Assignment to enforce the provisions of the Premises Lease until the Lessee shall be in default under its obligations to the Lessor under the Equipment Lease, Security Agreement, Guarantee or any instrument, document or agreement related thereto. Upon the occurrence of any such default, the Lessor may, without affecting any of its rights or remedies against the Lessee under any other instrument, document or agreement, exercise its rights under this Assignment as the Lessee's attorney-in-fact or in any other manner permitted by law and, in addition, the Lessor shall have and possess, without limitation, any and all rights and remedies of a secured party under the Uniform Commercial Code, as enacted in the jurisdiction where enforcement is sought, or otherwise provided by law.

The Lessee hereby agrees to indemnify and hold the Lessor harmless from and against any and all claims, demands, liabilities, losses, lawsuits, judgments, and costs and expenses (including without limitation, attorneys' fees) to which the Lessor may become exposed, or which the Lessor may incur, in exercising any of its rights under this Assignment.

Subject to the aforesaid limitation on further assignment by the Lessee, this Assignment shall be binding upon and inure to the benefit of the heirs, legal representatives, assigns, and successors in interest of the Lessee and the Lessor.

IN WITNESS WHEREOF, the Lessee has executed this Assignment of Premises Lease on the day and year first above written.

## ASSIGNMENT OF TELEPHONE NUMBERS AND UTILITIES

THIS ASSIGNMENT OF TELEPHONE NUMBERS AND UTILITIES, made (the "Assignment"), by \_\_\_\_\_, an [Individual, corporation, LLC], (individually and collectively the "Lessee"), to Lease Servicing Center, Inc., a Minnesota corporation ("Lessor").

### WITNESSETH:

WHEREAS, the Lessor and Lessee have agreed that the Lessor shall lease to the Lessee equipment pursuant to a Master Lease Agreement between them dated as of the date hereof (the "Agreement");

WHEREAS, to secure prompt payment when due of all amounts and performance of all covenants, obligations, terms and conditions to be paid, kept and performed by Lessee under the Agreement and all Leases (as defined in the Master Lease Agreement) currently or subsequently entered into thereunder between Lease Servicing Center, Inc., including any of its affiliates, subsidiaries, successors and assigns (the "Lessor"), and Lessee (the Master Lease Agreement and all Leases, Schedules and attachments thereto (all as defined in the Master Lease Agreement) individually and collectively referred to as the "Lease"), the Lessee has granted the Lessor a security interest in certain assets of the Lessee pursuant to a security agreement, dated as of the date hereof (the "Security Agreement"); and

WHEREAS, the Lessor has required, as a condition of its entering into the Lease and pursuant to the Lease, that the Lessee further secure the Lease and Lessee's obligations thereunder by this Assignment;

NOW, THEREFORE, in consideration of the foregoing and other good and valuable consideration which is hereby acknowledged, the Lessee does hereby make this Assignment to the Lessor as follows:

The Lessee does hereby sell, assign, transfer and set over unto the Lessor all of the Lessee's right, title and interest in and to all telephone numbers, telephone listings, telephone directory advertisements, and utilities used in connection with the operation of Lessee's Snap Fitness franchise in which the equipment will be used (collectively and individually referred to as the "Assigned Items").

The Lessee warrants and covenants that it has good right to sell transfer and assign the Assigned Items.

This Assignment is not effective unless and until the Lessor has given to the telephone company, utility or other required authority written notice that it has affirmatively exercised its rights under this Assignment after the occurrence of a default by Lessee under the Lease. Further, this Assignment may only be exercised in connection with the exercise of the assignment for the Franchise Agreement, which must be approved in advance by Franchisor in accordance with the terms of the Franchise Agreement Assignment. In the event of such assignment, Lessor shall assume no liability for monies owed or other liabilities relating to the Assigned Items that have accrued prior to the effective date of the Assignment. The Lessor may reassign its right, title and interest in the Assigned Items to any persons or entities in the Lessor's discretion upon notice to the Lessee but without any further requirement for the Lessee's consent, and any such reassignment shall be valid and binding upon the Lessee as fully as if each had expressly approved the same.

The Lessee represents and warrants that, other than as provided in the Franchise Agreement, there have been no prior assignments of the Assigned Items, that it has a valid and enforceable agreement with the owners and licensors of the Assigned Items, that neither party under such agreements is in default to the other thereunder and that all covenants, conditions and agreements have been performed as required therein, except those not due to be performed until after the date hereof. No change in the terms of such agreements shall be valid without the written approval of Lessor. The Lessee agrees not to assign, sell, pledge or otherwise transfer or encumber its interest in the Assigned Items so long as this Assignment is in effect.

The Lessee hereby irrevocably constitutes and appoints the Lessor as its attorney-in-fact to demand, receive, and enforce the Lessee's rights with respect to the Assigned Items, to make payments under the agreements related thereto and give appropriate receipts, releases and satisfactions for and on behalf of and in the name of the Lessee or, at the option of Lessor, in the name of the Lessor, with the same force and effect as the Lessee could do if this Assignment had not been made.

This Assignment is for security purposes only. Accordingly, the Lessor shall have no right under this Assignment to enforce the provisions of the agreements related to the Assigned Items until the Lessee shall be in default under its obligations to the Lessor under the Lease, Security Agreement or any instrument, document or agreement related thereto. Upon the occurrence of any such default, the Lessor may, without affecting any of its rights or remedies against the Lessee under any other instrument, document or agreement, exercise its rights under this Assignment as the Lessee's attorney-in-fact or in any other manner permitted by law and, in addition, the Lessor shall have and possess, without limitation, any and all rights and remedies of a secured party under the Uniform Commercial Code, as enacted in the jurisdiction where enforcement is sought, or otherwise provided by law.

The Lessee hereby agrees to indemnify and hold the Lessor harmless from and against any and all claims, demands, liabilities, losses, lawsuits, judgments, and costs and expenses (including without limitation, attorneys' fees) to which the Lessor may become exposed, or which the Lessor may incur, in exercising any of its rights under this Assignment.

Subject to the aforesaid limitation on further assignment by the Lessee, this Assignment shall be binding upon and inure to the benefit of the heirs, legal representatives, assigns, and successors in interest of the Lessee and the Lessor.

IN WITNESS WHEREOF, the Lessee has executed this Assignment of Telephone Numbers and Utilities on the day and year first above written.

## ASSIGNMENT OF MEMBERSHIP CONTRACTS

THIS ASSIGNMENT OF MEMBERSHIP CONTRACTS, made (the "Assignment"), by \_\_\_\_\_, an [Individual, corporation, LLC] (individually and collectively the "Lessee"), to Lease Servicing Center, Inc., a Minnesota corporation ("Lessor")

WITNESSETH:

WHEREAS, the Lessor and \_\_\_\_\_ ("Lessee") have agreed that the Lessor shall lease to the Lessee equipment pursuant to a Master Lease Agreement between them dated as of the date hereof (the "Agreement");

WHEREAS, to secure prompt payment when due of all amounts and performance of all covenants, obligations, terms and conditions to be paid, kept and performed by Lessee under the Agreement and all Leases (as defined in the Master Lease Agreement) currently or subsequently entered into thereunder between Lease Servicing Center, Inc., including any of its affiliates, subsidiaries, successors and assigns (the "Lessor"), and Lessee (the Master Lease Agreement and all Leases, Schedules and attachments thereto (all as defined in the Master Lease Agreement) individually and collectively referred to as the "Lease"), the Lessee has granted the Lessor a security interest in certain assets of the Lessee pursuant to a security agreement, dated as of the date hereof (the "Security Agreement"); and

WHEREAS, the Lessor has required, as a condition of its entering into the Lease and pursuant to the Lease, that the Lessee further secure the Lease and Lessee's obligations thereunder by this Assignment;

NOW, THEREFORE, in consideration of the foregoing and other good and valuable consideration which is hereby acknowledged, the Lessee does hereby make this Assignment to the Lessor as follows:

The Lessee does hereby sell, assign, transfer and set over unto the Lessor all of the Lessee's right, title and interest in and to all membership agreements related in any way to Lessee's Snap Fitness franchise which is the subject of the Master Lease Agreement (the "Membership Contracts").

The Lessee warrants and covenants that it has good right to sell transfer and assign the Membership Contracts.

This Assignment is not effective unless and until the Lessor has given to the relevant member written notice that it has affirmatively exercised its rights under this Assignment after the occurrence of a default by Lessee under the Lease. Further, this Assignment may only be exercised in connection with the exercise of the assignment for the Franchise Agreement, which must be approved in advance by Franchisor in accordance with the terms of the Franchise Agreement Assignment. In the event of such assignment, Lessor shall assume no liability for monies owed or other liabilities relating to the Membership Contracts that have accrued prior to the effective date of the Assignment. The Lessor may reassign its right, title and interest in the Membership Contracts to any persons or entities in the Lessor's discretion upon notice to the Lessee but without any further requirement for the Lessee's consent, and any such reassignment shall be valid and binding upon the Lessee as fully as if each had expressly approved the same; provided however that any such reassignment may be exercised only to assign the Membership Contracts for membership in a Snap Fitness facility.

The Lessee represents and warrants that, other than as provided in the Franchise Agreement, there have been no prior assignments of the Membership Contracts, that it has a valid and enforceable agreement with the members, that neither party under such agreements is in default to the other thereunder and that all covenants, conditions and agreements have been performed as required therein, except those not due to be performed until after the date hereof. The Lessee agrees not to assign, sell, pledge or otherwise transfer or encumber its interest in the Member Contracts so long as this Assignment is in effect.

The Lessee hereby irrevocably constitutes and appoints the Lessor as its attorney-in-fact to demand, receive, and enforce the Lessee's rights with respect to the Member Contracts, to make payments under the Member Contracts and give appropriate receipts, releases and satisfactions for and on behalf of and in the name of the Lessee or, at the option of Lessor, in the name of the Lessor, with the same force and effect as the Lessee could do if this Assignment had not been made.

This Assignment is for security purposes only. Accordingly, the Lessor shall have no right under this Assignment to enforce the provisions of the Membership Contracts until the Lessee shall be in default under its obligations to the Lessor under the Lease, Security Agreement or any instrument, document or agreement related thereto. Upon the occurrence of any such default, the Lessor may, without affecting any of its rights or remedies against the Lessee under any other instrument, document or agreement, exercise its rights under this Assignment as the Lessee's attorney-in-fact or in any other manner permitted by law and, in addition, the Lessor shall have and possess, without limitation, any and all rights and remedies of a secured party under the Uniform Commercial Code, as enacted in the jurisdiction where enforcement is sought, or otherwise provided by law.

The Lessee hereby agrees to indemnify and hold the Lessor harmless from and against any and all claims, demands, liabilities, losses, lawsuits, judgments, and costs and expenses (including without limitation, attorneys' fees) to which the Lessor may become exposed, or which the Lessor may incur, in exercising any of its rights under this Assignment.



Subject to the aforesaid limitation on further assignment by the Lessee, this Assignment shall be binding upon and inure to the benefit of the heirs, legal representatives, assigns, and successors in interest of the Lessee and the Lessor.

IN WITNESS WHEREOF, the Lessee has executed this Assignment of Membership Contracts on the day and year first above written.

## Signature Page for Assignments:

- Assignment of Franchise Agreement & Franchisor's Consent
- Assignment of Premises Lease
- Assignment of Telephone Numbers and Utilities
- Assignment of Membership Contracts

Lessee:

---

Signature

---

Date

---

,  
Print Name & Title

---

Address

---

City

State

Zip Code

---

Telephone

|

**EXHIBIT H-2**  
**Lease Servicing Center Sample Equipment Finance Agreement**

**EQUIPMENT FINANCE AGREEMENT**

Agreement Number

Federal tax ID#

This document was written in "Plain English". The words YOU and YOUR refer to the customer. The words WE, US and OUR refer to the financier.

**CUSTOMER INFORMATION**

FULL LEGAL NAME OF CUSTOMER

DBA

STREET ADDRESS

CITY

STATE

ZIP

PHONE

BILLING NAME (IF DIFFERENT FROM ABOVE)

BILLING STREET ADDRESS

CITY

STATE

ZIP

PHONE

EQUIPMENT LOCATON (IF DIFFERENT FROM ABOVE)

**SUPPLIER INFORMATION**

NAME OF SUPPLIER

STREET ADDRESS

CITY

STATE

ZIP

PHONE

**QUANTITY****ITEM DESCRIPTION****MODEL NO.****SERIAL****TERMS****DOWN PAYMENT**

Payment of

**ADVANCE PAYMENT**

Payments of

**REMAINING MONTHLY PAYMENTS**

Payments of

Term in months

(MOS.)

Commencement Date:

Payment Period is Monthly Unless  
Otherwise Indicated

**THIS IS A NONCANCELABLE/IRREVOCABLE AGREEMENT; THIS AGREEMENT CANNOT BE CANCELLED OR TERMINATED.**

**TERMS AND CONDITIONS**

(THIS AGREEMENT CONTAINS PROVISIONS SET FORTH ON THE REVERSE SIDE, ALL OF WHICH ARE MADE PART OF THIS AGREEMENT)

**SECURED PARTY**

DATED: \_\_\_\_\_

SECURED PARTY: Lease Servicing Center, Inc.

SIGNATURE: \_\_\_\_\_

TITLE: Secretary / Treasurer**CUSTOMER AGREEMENT**

DATED: \_\_\_\_\_

CUSTOMER: \_\_\_\_\_

SIGNATURE: X  
Signature of

TITLE: \_\_\_\_\_

1. **FINANCE AGREEMENT:** Subject to the terms of this Equipment Finance Agreement signed by you and us, rather than pay cash price, you have chosen to request we finance for you the purchase price of personal property described under "ITEM DESCRIPTION" in this Agreement (such personal property and any upgrades, replacements, repairs and additions referred to as "Equipment") which you will use for business purposes only. You hereby grant to us a first priority, purchase money security interest in the Equipment and its proceeds to secure your obligations hereunder and under all other agreements with us, and you agree to all of the terms and conditions contained in this Agreement, which together are a complete statement of our agreement regarding the Equipment (this "Agreement"). This Agreement may be modified only by written agreement and not by course of performance. This Agreement becomes valid upon execution by us and will begin on the commencement date for the number of consecutive months shown above. You also agree to pay to us interim payments in the amount equal to 1/30<sup>th</sup> of the monthly payment multiplied by the number of days lapsing between the date on which the payment is made to supplier and the agreed upon first payment date. If any provision of this Agreement is declared unenforceable, the other provisions shall remain in full force and effect.
2. **PAYMENTS:** Payments will be paid monthly, each in the amount of the monthly payment shown above plus any applicable tax. You will pay the security deposit on the date you sign this Equipment Finance Agreement. Subsequent payments will be due the first day of each payment period shown beginning after the first payment period. We will have the right to apply all sums received from you to any amounts due and owed to us under the terms of this Agreement. In the event this Agreement is not fully repaid, the security deposit will be retained by us to compensate us for our documentation, processing and other expenses. If for any reason, your check is returned for nonpayment, a \$25.00 bad check charge will be assessed.
3. **NONCANCELLABLE.** This is a noncancellable agreement and may not be cancelled or prepaid by you for any reason whatsoever. You may prepay only in accordance herewith. In the event this Agreement is paid off prior to end of full term, you will pay us all amounts due plus all future payments discounted to a present value using 4% annual rate (in addition to all other accrued and unpaid charges including but not limited to fees and taxes.) You will make all payments whether or not you are satisfied with the Equipment and without deduction for any claim you may have against the supplier of the Equipment or against us.
4. **Warranty Disclaimer: WE MAKE NO WARRANTY, EXPRESS OR IMPLIED, OR THAT THE EQUIPMENT IS FIT FOR A PARTICULAR PURPOSE OR THAT THE EQUIPMENT IS MERCHANTABLE.** YOU AGREE THAT YOU HAVE SELECTED THE SUPPLIER AND EACH ITEM OF EQUIPMENT BASED UPON YOUR OWN JUDGMENT AND DISCLAIM ANY RELIANCE UPON ANY STATEMENTS OR REPRESENTATIONS MADE BY US. WE DO NOT TAKE RESPONSIBILITY FOR THE INSTALLATION OR PERFORMANCE OF THE EQUIPMENT. THE SUPPLIER IS NOT AN AGENT OF OURS AND NOTHING THE SUPPLIER STATES CAN AFFECT YOUR OBLIGATION UNDER THE AGREEMENT. YOU WILL CONTINUE TO MAKE ALL PAYMENTS UNDER THIS AGREEMENT REGARDLESS OF ANY CLAIM OR COMPLAINT AGAINST SUPPLIER. If Agreement includes financing for software licenses(s), then you agree that as to such software: (a) we have not had, do not have, nor shall have, any title to such software, but instead is only providing financing for the license. (b) You have executed or will execute a separate software license agreement and we are not a party to, nor have any responsibilities whatsoever, e.g., fees or other payments, in regard to such license agreement and supplier is solely responsible for all support, billing and collection of which may be done by us. (c) You have selected such software, (d) Your payment and other obligations under this Agreement shall in no way be diminished on account of or in any way related to the above said software license agreement and/or the supplier's obligations. **WE MAKE ABSOLUTELY NO WARRANTY OF ANY KIND IN REGARDS TO SUCH SOFTWARE AND HAVE ABSOLUTELY NO RESPONSIBILITY FOR THE FUNCTION OR PERFORMANCE OF SUCH SOFTWARE.**
5. **Location of Equipment/Inspection:** You are the owner of the Equipment and will keep the Equipment free and clear of all liens and encumbrances and use only at your address shown above and you agree not to move it unless we agree to it in advance. We may inspect the Equipment at any time during normal business hours.
6. **Loss or Damage:** You are the owner of the Equipment and are responsible for the risk of loss or for any destruction of or damage to the Equipment. No such loss or damage relieves you from the payment obligations under this Agreement. You agree to promptly notify us in writing of any loss or damage and you will then pay to us the present value of the total of all unpaid payments for the full term all discounted at four percent. Any proceeds of insurance will be paid to us and credited against the outstanding balance.
7. **COLLATERAL PROTECTION AND INSURANCE:** You agree to keep the equipment fully insured against loss with us as loss payee in an amount not less than the replacement cost until this Agreement is terminated. You also agree to obtain a general public liability insurance policy from anyone who is acceptable to us and to include us as an insured on the policy. You agree to provide us certificates or other evidence of insurance acceptable to us, before this Agreement begins or, should you wish us to waive this requirement we will bill you and you will pay a monthly property damage surcharge of up to .0035 of the original equipment cost related to our administrative costs, and credit risk and other costs and on which we may make a profit. As long as you are not in default at the time of the loss (excluding losses resulting from intentional acts), the remaining balance owed on the Agreement will be forgiven. You cannot be in default and benefit from this program. **NOTHING IN THIS PARAGRAPH WILL RELIEVE YOU OF YOUR RESPONSIBILITY FOR LIABILITY INSURANCE COVERAGE ON THIS EQUIPMENT.**
8. **Indemnity:** We are not responsible for any loss or injuries caused by the installation or use of the Equipment. You agree to hold us harmless and reimburse us for loss and to defend us against any claim for costs, losses or injury caused by the Equipment or its use or related to this Agreement. Your indemnity obligation includes any cost, expense or liability we incur, including court costs, attorney fees, interest and penalties.
9. **TAXES AND FEES:** You agree to pay when due all taxes (including personal property tax, fines and penalties) and fees relating to this Agreement or the Equipment. If we pay any of the above for you, you agree to reimburse us and to pay us a processing fee for each payment we make on your behalf. In addition, you also agree to pay us any filing fees prescribed by the Uniform Commercial Code or other law and reimburse us for all costs and expenses involved in documenting and servicing this transaction. You further agree to pay us an origination fee in an amount up to \$500 on the date the first payment due. You also acknowledge that in addition to the lease payments, we may assess and you may be required to pay additional taxes and/or fees. Such fees may not only cover our costs they may also include a profit.
10. **Assignment: YOU HAVE NO RIGHT TO SELL, TRANSFER, ASSIGN OR SUBLEASE THE EQUIPMENT OR THIS AGREEMENT. You understand that we, without prior notice, have the right to assign this Agreement to another financing source without your consent. You understand that the assignee will have the same rights and benefits but they do not have to perform any of our obligations. You agree that the rights of assignee will not be subject to any claims, defenses, or setoffs that you may have against us.**
11. **Default and Remedies:** If you do not pay any payment or other sum due to us or other party when due or if you break any of your promises in this Agreement or any other agreement with us, you will be in default. If any part of a payment is late, you agree to pay a late charge of 15% of the payment, which is late, or if less, the maximum charge allowed by law. If you are ever in default, we may retain your security deposit and at our option, we can terminate or cancel this Agreement and require that you (1) pay the unpaid balance of this Agreement, including accrued but unpaid payments, discounted to present value at four percent per annum and (2) unless you have paid the amount in (1), return the Equipment to us to a location designated by us. We may sell, lease or otherwise dispose of all or any part of the Equipment at public or private sale, with or without notice and may bid and purchase the Equipment or any of it at such sale. The proceeds of sale, lease or other disposition shall first be applied to all costs and expenses incurred in taking, removing, holding, repairing and selling or otherwise disposing of the Equipment, attorneys fees and court costs, and our other obligations hereunder (excluding repayments); then to pay all sums remaining unpaid hereunder, with any remaining surplus belonging to you. You will be obligated to pay any deficiency remaining after such application of proceeds. We may recover interest on any unpaid balance at the rate of 8% per annum. We may also use any of the remedies available to us under Article 9 of the Uniform Commercial Code as enacted in the State of Minnesota or any other law. If we refer this Agreement to an attorney for collection, you agree to pay our reasonable attorney's fees and actual court costs. If we have to take possession of the equipment, you agree to pay the cost of repossession. **YOU AGREE THAT WE WILL NOT**

12. UCC Filings: You authorize us to record a UCC-1 financing statement or similar instrument electronically or otherwise to show our interest in the Equipment. You agree to take any other action we request to protect our rights under this Agreement from time to time and that we may report a copy of this Agreement as a financing statement. You will provide any landlord or mortgage waiver we request to protect our interest in the Equipment. You authorize us to endorse your name to any notes, checks, or other instruments for the payment of money relating to the Equipment (including insurance).
13. Security Deposit: Each security deposit is non-interest bearing and is to secure your performance under this Agreement. Any security deposit made may be applied by us to satisfy any amount owed by you, in which event you will promptly restore the security deposit to its full amount as set forth above. We may commingle the security deposit with other funds.
14. Financial Statements: You agree to provide updated financial information (including financial statements conforming to generally accepted accounting principles and/or tax returns) promptly upon the Leasing Company's request.
15. Law and Jurisdiction: This Agreement will be deemed fully executed and performed in Minnesota or the home state of our assignee as it may be assigned from time to time per Paragraph 10. This Agreement shall be governed by and construed in accordance with the laws of Minnesota or the laws of the home state of assignee. You expressly and unconditionally consent to the jurisdiction and venue of any court in the State of Minnesota or assignee's home state and waive right to trial by jury for any claim or action arising out of or relating to this Agreement or the Equipment. Furthermore, you waive the defense of inconvenient forum. In no event will this Agreement be enforced in any way that permits us to collect excessive interest. If any interest payment hereunder exceeds the highest amount allowed by law, it shall be reduced to such rate and the excess interest refunded to you. In such event, you agree we will not be subject to any penalties provided by law for collecting or charging interest in excess of lawful rates.

Signature of \_\_\_\_\_

Title

## PERSONAL GUARANTY

To induce Lease Servicing Center, Inc. ("Secured Party") to finance equipment to \_\_\_\_\_ ( the "Customer") pursuant to Agreement No. \_\_\_\_\_ or pursuant and all Supplements thereto (the "Agreement").

1. The undersigned hereby absolutely and unconditionally guarantees to Secured Party full and prompt payment and performance when due of each and every obligation of Customer under the Financing Agreement.
2. The undersigned hereby waives (i) notice of the acceptance hereof by Secured Party and of the creation and existence of the Agreement and (ii) any and all defenses otherwise available to a guarantor or accommodation party.
3. This Guaranty is absolute and unconditional, and the liability of the undersigned hereunder shall not be affected or impaired in any way by any of the following; each of which Secured Party may agree to without the consent of the undersigned: a) any extension or renewal of the Agreement whether or not for longer than the original period; b) any change in the terms of payment or other terms of the Agreement or any collateral therefore or any exchanged, release of, or failure to obtain any collateral therefore, c) any waiver or forbearance granted to Customer or any other person; and d) the application or failure to apply in any particular manner any payments or credits on the Agreement or any other obligation Customer may owe to Secured Party.
4. Secured Party shall not be required before exercising and enforcing its rights under the Guaranty first to resort for payment under the Agreement to Customer or to any other person or to any collateral. The undersigned agrees not to obtain reimbursement or payment from Customer or any other person obligated with respect to the Agreement or from any collateral for the Agreement until the obligations under the Agreement have been fully satisfied.
5. The undersigned shall be and remain liable for any deficiency following foreclosure of any mortgage or security interest securing the Agreement whether or not the liability of Customer under the Agreement is discharged by such foreclosure.
6. The undersigned shall be and remain liable for any deficiency following the initiation of bankruptcy or other insolvency actions affecting the Agreement or the Customer, whether or not the liability of the Customer is discharged in whole or in part by such action.
7. The undersigned agrees to pay all costs, expenses and attorneys' fees paid or incurred by Secured Party in endeavoring to enforce the Agreement and this Guaranty.
8. If any payment from the Customer or anyone else is applied to the Agreement and is thereafter set aside, recovered, rescinded, or required to be returned for any reason (including as a preference in the bankruptcy of Customer), the obligations under the Agreement to which such payment was applied shall for purposes of this Guaranty be deemed to have continued in existence notwithstanding such application, and this guaranty shall be enforceable as to such obligations as fully as if such applications had never been made.
9. If more than one person signs this Guaranty, then the liability of the undersigned hereunder shall be joint and several, and this Guaranty shall be enforceable in full against each of the undersigned.
10. This Guaranty shall be binding upon the estate, heirs, successors and assigns of the undersigned, and shall inure to the benefit of the successors and assigns of Secured Party.
11. By signing this Personal Guaranty, the undersigned authorizes Secured Party to obtain their Credit Bureau Reports for credit and collection purposes.

**CONSENT TO LAW, JURISDICTION AND VENUE.** The subject Agreement shall be deemed fully executed and performed in the state of owner's or its Assignee's principal place of business and shall be governed by and construed in accordance with the law thereof. If the owner or its Assignee shall bring any judicial proceeding in relation to any matter arising under the Agreement and/or this guaranty, the undersigned hereby irrevocably agrees that any such matter may be adjudged or determined in any court or courts in the state of the owner's or its Assignee's principal place of business, or any U.S. federal court sitting in the state of the owner's or its Assignee's principal place of business, or in any court or courts in customer's state of residence, or in any other court having jurisdiction over the customer or assets of the customer, all at the sole election of the owner. The undersigned hereby irrevocably submits generally and unconditionally to the jurisdiction of any such court so elected by owner or its Assignee in relation to such matters.

          X          

Date

\_\_\_\_\_  
Name of Guarantor

          X          

Signature of

\_\_\_\_\_  
Address

\_\_\_\_\_  
City / State / Zip Code

## DELIVERY AND ACCEPTANCE CERTIFICATE

Equipment Finance Agreement #\_\_\_\_\_ between Lease Servicing Center, Inc., Secured Party,  
and\_\_\_\_\_, Customer.

You certify that all the equipment listed in said Equipment Finance Agreement has been furnished, that delivery and installation has been fully completed and satisfactory. Further, all conditions and terms of said Equipment Finance Agreement have been reviewed and acknowledged. Upon your signing below, your promises herein will be irrevocable and unconditional in all respects. You understand and agree that we have made payment for the equipment to the supplier, and you may contact the supplier for your warranty rights, if any, which we transfer to you for the term of this Agreement.

\_\_\_\_\_  
Delivery Date

\_\_\_\_\_  
Customer

**X**  
\_\_\_\_\_

\_\_\_\_\_  
Title



## EQUIPMENT SCHEDULE “A”

Agreement #

This Equipment Schedule “A” is to be attached to and become part of that Schedule of Financed Equipment dated \_\_\_\_\_ by and between the undersigned and, Lease Servicing Center, Inc., Secured Party.

Qty	Description	Model No.	Serial No.
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This Equipment Schedule “A” is hereby verified as correct by the undersigned Customer, who acknowledges receipt of a copy. The undersigned gives Lease Servicing Center, Inc. authorization to insert Serial Numbers into Equipment Schedule “A” upon installation of all equipment and receipt of final invoices.

**Customer:** \_\_\_\_\_

**Signature:**   x    
Signature of

**Title:** \_\_\_\_\_

## Schedule “D”

**Agreement #:**

This Schedule “D” is to be attached to and become part of the Equipment Finance Agreement dated \_\_\_\_\_.

This Schedule “D” is a description of the Suppliers for this Equipment Finance Agreement.

Supplier Information:

This Schedule “D” is hereby verified as correct by the undersigned Customer, who acknowledges receipt of a copy.

\_\_\_\_\_  
Customer

**X**  
\_\_\_\_\_  
Signature of

\_\_\_\_\_  
Title

## RESOLUTION OF BOARD OF DIRECTORS

I, \_\_\_\_\_ Secretary of \_\_\_\_\_, a corporation, and keeper of its records and corporate seal, do hereby certify that the following is a true and correct copy of a resolution duly adopted at a regular special (strike one) meeting of the Board of Directors of said corporation duly convened in accordance with the by-laws, on \_\_\_\_\_

RESOLVED: That the

\_\_\_\_\_  
Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Name

\_\_\_\_\_  
Title

of this corporation, or any one of them, be and they are hereby authorized for and on behalf of this corporation, to finance equipment from Lease Servicing Center, Inc. or its assigns.

FURTHER RESOLVED: That the said officer(s), be and they are hereby authorized, from time to time, to execute and deliver to Lease Servicing Center, Inc. or its assigns, for and on behalf of this corporation, all the necessary instruments evidencing said Agreements, including notes, mortgages, assignments, and other income and assets, all upon such terms and conditions as to them shall seem proper.

FURTHER RESOLVED: That the foregoing resolution shall remain in effect until written notice of amendment or rescission shall have been received by Lease Servicing Center, Inc. or its assigns, and that receipt of such notice shall not affect any action taken prior thereto.

I, \_\_\_\_\_, do hereby certify that I am the duly elected and qualified secretary and custodian of the records and corporate seal of \_\_\_\_\_, a corporation organized and existing under and by the virtue of the laws of the state of \_\_\_\_\_; that the foregoing is a true and correct copy of a certain resolution duly adopted in accordance with law and the by-laws of said corporation, at a meeting of the Board of Directors of said Corporation convened and held its office at \_\_\_\_\_ on \_\_\_\_\_ at which meeting a quorum was present, and that such resolutions is now in full force and effect, and is duly recorded in the minutes of said meeting.

IN WITNESS WHEREOF, I have affixed my name and Secretary and caused the corporate seal of said Corporation to hereunto affixed, on \_\_\_\_\_.

“Seal”

\_\_\_\_\_  
Secretary

## AUTHORIZATION AGREEMENT FOR ACH TRANSACTIONS

Lease /Agreement # \_\_\_\_\_

I (we) hereby authorize **Lease Servicing Center, Inc.** to initiate **debit** entries to my (our) account(s) as indicated below and the financial institution name below, hereinafter called Financial Institution, to **debit** the same to such account. I (we) agree to have available funds in my (our) account on the designated date to effect this transfer. I (we) agree to pay any applicable fees for this service as disclosed in the Fee Schedule I (we) acknowledge that the origination of ACH transactions to my (our) account must comply with the provisions of U.S. law.

\_\_\_\_\_  
(Financial Institution Name - sending to)

\_\_\_\_\_  
(Address / City / State / Zip)

Type of Account:    \_\_\_\_\_ Checking    \_\_\_\_\_ Savings

\_\_\_\_\_  
(Routing Number)

\_\_\_\_\_  
(Account Number)

Type of Transaction      x   Debit    \_\_\_\_\_ Credit    \_\_\_\_\_ Loan    Payment Amt    \_\_\_\_\_ @    \_\_\_\_\_

Transaction Amt    \_\_\_\_\_ @    \_\_\_\_\_ \*

\* Plus applicable taxes, late charges and renewal payments

(Frequency of Transfer)    \_\_\_\_\_ (Date/Day of Transfer)    \_\_\_\_\_ and applicable fees.

If this date falls on a Saturday, Sunday, or bank holiday, this transfer will automatically be made on the following business day.

**There will be a \$25.00 fee for all ACH items returned to us.**

Lease Servicing Center, Inc. will make every effort to complete this transfer unless circumstances beyond our control prevent the transfer, despite reasonable precautions that we have taken. All terms and conditions of your account agreement apply to this agreement.

\_\_\_\_\_  
(Customer Name)

\_\_\_\_\_  
(Date)

\_\_\_\_\_  
(Individual ID Number)

  X  

\_\_\_\_\_  
(Signature of )

\_\_\_\_\_  
(Individual ID Number)

\_\_\_\_\_  
(Customer Name - if applicable)

\_\_\_\_\_  
(Individual ID Number)

**\*\*Please attach a voided check.....**

## INSURANCE VERIFICATION

DATED: \_\_\_\_\_

Agreement # \_\_\_\_\_

Lease Servicing Center, Inc.  
220 22<sup>nd</sup> Ave E, Ste 106  
Alexandria, MN 56308

This is to confirm that the equipment leased under Master Finance Agreement dated \_\_\_\_\_ is or will be covered as required under the Agreement (as defined under the Master Finance Agreement) for bodily injury, property damage and physical damage coverage, and other such risks as required by law. Coverage shall in all ways be as stated in the then current SAPP Coverage Summary (example attached) as updated from time to time. **Lease Servicing Center, Inc., and/or its successors or assigns, is to be named as Additional Insured and Loss Payee on the property coverage. Thirty (30) days notice prior to CANCELLATION is to be given to Lease Servicing Center, Inc.**

INSURANCE CO.: \_\_\_\_\_

POLICY NUMBER: \_\_\_\_\_

AGENCY NAME: \_\_\_\_\_

AGENT NAME: \_\_\_\_\_

ADDRESS: \_\_\_\_\_

FAX NUMBER \_\_\_\_\_

PHONE NUMBER: \_\_\_\_\_

Sincerely,

\_\_\_\_\_  
(Customer's Name)

By: \_\_\_\_\_  
(Signature of Officer of Customer)

Title: \_\_\_\_\_

## Signer Identification Addendum

(Must Be Completed For All Signers)

Agreement #:

Please include a copy of your valid driver's license including photo and signature. (Front and back may be required in certain states)

ATTACH PHOTO IDENTIFICATION WITH SIGNATURE

Photocopy Clear & Legible Driver's License Here

X \_\_\_\_\_  
Signature of Driver's License Bearer,

## **ASSIGNMENT OF FRANCHISE AGREEMENT AND FRANCHISOR'S CONSENT**

THIS ASSIGNMENT OF FRANCHISE AGREEMENT AND FRANCHISOR'S CONSENT, made (the "Assignment"), by \_\_\_\_\_, an [Individual, corporation, LLC], (individually and collectively the "Debtor"), to Lease Servicing Center, Inc. a Minnesota corporation. ("Assignee")

WITNESSETH:

WHEREAS, the Assignee and the Debtor have agreed that the Assignee shall finance for Debtor equipment pursuant to a Equipment Finance Agreement between them dated as of the date hereof (the "Agreement");

WHEREAS, to secure prompt payment when due of all amounts and performance of all covenants, obligations, terms and conditions to be paid, kept and performed by Debtor under the Agreement and all Finance Agreements (as defined in the Equipment Finance Agreement) currently or subsequently entered into thereunder between Lease Servicing Center, Inc., including any of its affiliates, subsidiaries, successors and assigns (the "Assignee"), and Debtor (the Equipment Finance Agreement and all Agreements, Schedules and attachments thereto (all as defined in the Equipment Finance Agreement) individually and collectively referred to as the "Agreement"), the Debtor has granted the Assignee a security interest in certain assets of the Debtor pursuant to a Agreement, dated as of the date hereof and;

WHEREAS, the Assignee has required, as a condition of its entering into the Agreement and pursuant to the Agreement, that the Debtor further secure the Agreement and Debtor's obligations thereunder by this Assignment and that the Franchisor consent to this Assignment;

NOW, THEREFORE, in consideration of the foregoing and other good and valuable consideration which is hereby acknowledged, the Debtor does hereby make this Assignment to the Assignee and the Franchisor does hereby consent to such Assignment as follows:

The Debtor does hereby sell, assign, transfer and set over unto the Assignee all of the Debtor's right, title and interest in and to the franchise agreement(s) listed below: (collectively and individually the "Franchise Agreement")

No. \_\_\_\_ dated \_\_\_\_\_, between \_\_\_\_\_, as franchisee, and Snap Fitness, Inc., as franchisor (the "Franchisor").

The Debtor warrants and covenants that it has good right to sell, transfer and assign the Franchise Agreement.

The Assignee, and the Franchisor by executing the consent to this Assignment, agree that the Assignee does not assume any of the obligations or duties of the Debtor under or with respect to the Franchise Agreement unless and until the Assignee shall have given to the Franchisor written notice that it has affirmatively exercised its rights under this Assignment after the occurrence of a default by Debtor under the Agreement. The Assignee may reassign its right, title and interest in the Franchise Agreement to any persons or entities in the Assignee's discretion upon notice to the Debtor but without any further requirement for the Debtor's consent, and any such reassignment shall be valid and binding upon the Debtor and as fully as if Assignee had expressly approved the same. Assignee must obtain Franchisor's consent to such assignment and comply with all transfer conditions in the Franchise Agreement.

The Debtor represents and warrants that there have been no prior assignments of the Franchise Agreement, that the Franchise Agreement is a valid and enforceable agreement, that neither party is in default to the other thereunder and that all covenants, conditions and agreements have been performed as required therein, except those not due to be performed until after the date hereof. The Debtor agrees not to assign, sell, pledge or otherwise transfer or encumber its interest in the Franchise Agreement so long as this Assignment is in effect.

The Debtor hereby irrevocably constitutes and appoints the Assignee as its attorney-in-fact to demand, receive, and enforce the Debtor's rights with respect to the Franchise Agreement, to make payments under the Franchise Agreement and give appropriate receipts, releases and satisfactions for and on behalf of and in the name of the Debtor or, at the option of Assignee, in the name of the Assignee, with the same force and effect as the Debtor could do if this Assignment had not been made.

This Assignment is for security purposes only. Accordingly, the Assignee shall have no right under this Assignment to enforce the provisions of the Franchise Agreement until the Debtor shall be in default under its obligations to the Assignee under the Agreement, Guarantee or any instrument, document or agreement related thereto. Upon the occurrence of any such default, the Assignee may, without affecting any of its rights or remedies against the Debtor under any other instrument, document or agreement, exercise its rights under this Assignment as

the Debtor's attorney-in-fact or in any other manner permitted by law and, in addition, the Assignee shall have and possess, without limitation, any and all rights and remedies of a secured party under the Uniform Commercial Code, as enacted in the jurisdiction where enforcement is sought, or otherwise provided by law.

The Debtor hereby agrees to indemnify and hold the Assignee harmless from and against any and all claims, demands, liabilities, losses, lawsuits, judgments, and costs and expenses (including without limitation, attorneys' fees) to which the Assignee may become exposed, or which the Assignee may incur, in exercising any of its rights under this Assignment.

Subject to the aforesaid limitation on further assignment by the Debtor, this Assignment shall be binding upon and inure to the benefit of the heirs, legal representatives, assigns, and successors in interest of the Debtor, the Assignee and the Franchisor.

IN WITNESS WHEREOF, the Debtor has executed this Assignment of Franchise Agreement on the day and year first above written.



## ASSIGNMENT OF PREMISES LEASE

THIS ASSIGNMENT OF PREMISES LEASE, made (the "Assignment"), by \_\_\_\_\_, an [Individual, corporation, LLC] (individually and collectively the "Debtor"), to Lease Servicing Center, Inc., a Minnesota corporation. ("Creditor")

WITNESSETH:

WHEREAS, the Creditor and \_\_\_\_\_ ("Debtor") have agreed that the Creditor shall finance for Debtor equipment pursuant to a Equipment Finance Agreement between them dated as of the date hereof (the "Equipment Finance Agreement");

WHEREAS, to secure prompt payment when due of all amounts and performance of all covenants, obligations, terms and conditions to be paid, kept and performed by Debtor under the Equipment Finance Agreement and all Agreements (as defined in the Equipment Finance Agreement) currently or subsequently entered into thereunder between Lease Servicing Center, Inc., including any of its affiliates, subsidiaries, successors and assigns (the "Creditor"), and Debtor (the Equipment Finance Agreement and all Agreements, Schedules and attachments thereto (all as defined in the Equipment Finance Agreement) individually and collectively referred to as the "Agreement"), the Debtor has granted the Creditor a security interest in certain assets of the Debtor pursuant to the Agreement, dated as of the date hereof and;

WHEREAS, the Creditor has required, as a condition of its entering into the Agreement and pursuant to the Agreement, that the Debtor further secure the Agreement and Debtor's obligations thereunder by this Assignment; NOW, THEREFORE, in consideration of the foregoing and other good and valuable consideration which is hereby acknowledged, the Debtor does hereby make this Assignment to the Creditor as follows:

The Debtor does hereby sell, assign, transfer and set over unto the Creditor all of the Debtor's right, title and interest in and to the premises leases listed below (individually and collectively the "Premises Lease"):

dated \_\_\_\_\_, made by the Debtor, as tenant, and \_\_\_\_\_ as landlord (the "Landlord").

The Debtor warrants and covenants that it has good right to sell, transfer and assign the Premises Lease.

The Creditor does not assume any of the obligations or duties of the Debtor under or with respect to the Premises Lease unless and until the Creditor shall have given to the Landlord written notice that it has affirmatively exercised its rights under this Assignment after the occurrence of a default by Debtor under the Agreement. Upon giving such notice, Creditor may, at Creditor's sole discretion, assume the Premises Lease as is, or may negotiate with the Landlord terms more favorable to Creditor. In the event of such assignment, Creditor shall assume no liability for monies owed or other liabilities relating to the Premises Lease that have accrued prior to the effective date of the notice provided by Creditor. The Creditor may reassign its right, title and interest in the Premises Lease to any persons or entities in the Creditor's discretion upon notice to the Debtor and the Landlord but without any further requirement for the Debtor's consent, and any such reassignment shall be valid and binding upon the Debtor as fully as if it had expressly approved the same.

The Debtor represents and warrants that, other than as provided in the lease addendum to the Franchise Agreement, there have been no prior assignments of the Premises Lease, that the Premises Lease is a valid and enforceable agreement, that neither party is in default to the other thereunder and that all covenants, conditions and agreements have been performed as required therein, except those not due to be performed until after the date hereof. No change in the terms of the Premises Lease shall be valid without the written approval of Creditor. The Debtor agrees not to assign, sell, pledge or otherwise transfer or encumber its interest in the Premises Lease so long as this Assignment is in effect.

The Debtor hereby irrevocably constitutes and appoints the Creditor as its attorney-in-fact to demand, receive, and enforce the Debtor's rights with respect to the Premises Lease, to renegotiate the Premises Lease, to make payments under the Premises Lease and give appropriate receipts, releases and satisfactions for and on behalf of and in the name of the Debtor or, at the option of Creditor, in the name of the Creditor, with the same force and effect as the Debtor could do if this Assignment had not been made.

This Assignment is for security purposes only. Accordingly, the Creditor shall have no right under this Assignment to enforce the provisions of the Premises Lease until the Debtor shall be in default under its obligations to the Creditor under the Agreement, Guarantee or any instrument, document or agreement related thereto. Upon the

occurrence of any such default, the Creditor may, without affecting any of its rights or remedies against the Debtor under any other instrument, document or agreement, exercise its rights under this Assignment as the Debtor's attorney-in-fact or in any other manner permitted by law and, in addition, the Creditor shall have and possess, without limitation, any and all rights and remedies of a secured party under the Uniform Commercial Code, as enacted in the jurisdiction where enforcement is sought, or otherwise provided by law.

The Debtor hereby agrees to indemnify and hold the Creditor harmless from and against any and all claims, demands, liabilities, losses, lawsuits, judgments, and costs and expenses (including without limitation, attorneys' fees) to which the Creditor may become exposed, or which the Creditor may incur, in exercising any of its rights under this Assignment.

Subject to the aforesaid limitation on further assignment by the Debtor, this Assignment shall be binding upon and inure to the benefit of the heirs, legal representatives, assigns, and successors in interest of the Debtor and the Creditor.

IN WITNESS WHEREOF, the Debtor has executed this Assignment of Premises Lease on the day and year first above written.

## ASSIGNMENT OF TELEPHONE NUMBERS AND UTILITIES

THIS ASSIGNMENT OF TELEPHONE NUMBERS AND UTILITIES, made (the "Assignment"), by \_\_\_\_\_, an [Individual, corporation, LLC], (individually and collectively the "Debtor"), to Lease Servicing Center, Inc., a Minnesota corporation. ("Creditor").

### WITNESSETH:

WHEREAS, the Creditor and Debtor have agreed that the Creditor shall finance for Debtor equipment pursuant to a Equipment Finance Agreement between them dated as of the date hereof (the "Agreement");

WHEREAS, to secure prompt payment when due of all amounts and performance of all covenants, obligations, terms and conditions to be paid, kept and performed by Debtor under the Agreement and all Agreements (as defined in the Equipment Finance Agreement) currently or subsequently entered into thereunder between Lease Servicing Center, Inc., including any of its affiliates, subsidiaries, successors and assigns (the "Creditor"), and Debtor (the Equipment Finance Agreement and all Agreements, Schedules and attachments thereto (all as defined in the Equipment Finance Agreement) individually and collectively referred to as the "Agreement"), the Debtor has granted the Creditor a security interest in certain assets of the Debtor pursuant to the Agreement, dated as of the date hereof and;

WHEREAS, the Creditor has required, as a condition of its entering into the Agreement and pursuant to the Agreement, that the Debtor further secure the Agreement and Debtor's obligations thereunder by this Assignment;

NOW, THEREFORE, in consideration of the foregoing and other good and valuable consideration which is hereby acknowledged, the Debtor does hereby make this Assignment to the Creditor as follows:

The Debtor does hereby sell, assign, transfer and set over unto the Creditor all of the Debtor's right, title and interest in and to all telephone numbers, telephone listings, telephone directory advertisements, and utilities used in connection with the operation of Debtor's Snap Fitness franchise in which the equipment will be used (collectively and individually referred to as the "Assigned Items").

The Debtor warrants and covenants that it has good right to sell, transfer and assign the Assigned Items.

This Assignment is not effective unless and until the Creditor has given to the telephone company, utility or other required authority written notice that it has affirmatively exercised its rights under this Assignment after the occurrence of a default by Debtor under the Agreement. Further, this Assignment may only be exercised in connection with the exercise of the assignment for the Franchise Agreement, which must be approved in advance by Franchisor in accordance with the terms of the Franchise Agreement Assignment. In the event of such assignment, Creditor shall assume no liability for monies owed or other liabilities relating to the Assigned Items that have accrued prior to the effective date of the Assignment. The Creditor may reassign its right, title and interest in the Assigned Items to any persons or entities in the Creditor's discretion upon notice to the Debtor but without any further requirement for the Debtor's consent, and any such reassignment shall be valid and binding upon the Debtor as fully as if each had expressly approved the same.

The Debtor represents and warrants that, other than as provided in the Franchise Agreement, there have been no prior assignments of the Assigned Items, that it has a valid and enforceable agreement with the owners and licensors of the Assigned Items, that neither party under such agreements is in default to the other thereunder and that all covenants, conditions and agreements have been performed as required therein, except those not due to be performed until after the date hereof. No change in the terms of such agreements shall be valid without the written approval of Creditor. The Debtor agrees not to assign, sell, pledge or otherwise transfer or encumber its interest in the Assigned Items so long as this Assignment is in effect.

The Debtor hereby irrevocably constitutes and appoints the Creditor as its attorney-in-fact to demand, receive, and enforce the Debtor's rights with respect to the Assigned Items, to make payments under the agreements related thereto and give appropriate receipts, releases and satisfactions for and on behalf of and in the name of the Debtor or, at the option of Creditor, in the name of the Creditor, with the same force and effect as the Debtor could do if this Assignment had not been made.

This Assignment is for security purposes only. Accordingly, the Creditor shall have no right under this Assignment to enforce the provisions of the agreements related to the Assigned Items until the Debtor shall be in default under its obligations to the Creditor under the Agreement or any instrument, document or agreement related thereto. Upon the occurrence of any such default, the Creditor may, without affecting any of its rights or remedies against the Debtor under any other instrument, document or agreement, exercise its rights under this Assignment as

the Debtor's attorney-in-fact or in any other manner permitted by law and, in addition, the Creditor shall have and possess, without limitation, any and all rights and remedies of a secured party under the Uniform Commercial Code, as enacted in the jurisdiction where enforcement is sought, or otherwise provided by law.

The Debtor hereby agrees to indemnify and hold the Creditor harmless from and against any and all claims, demands, liabilities, losses, lawsuits, judgments, and costs and expenses (including without limitation, attorneys' fees) to which the Creditor may become exposed, or which the Creditor may incur, in exercising any of its rights under this Assignment.

Subject to the aforesaid limitation on further assignment by the Debtor, this Assignment shall be binding upon and inure to the benefit of the heirs, legal representatives, assigns, and successors in interest of the Debtor and the Creditor.

IN WITNESS WHEREOF, the Debtor has executed this Assignment of Telephone Numbers and Utilities on the day and year first above written.

## ASSIGNMENT OF MEMBERSHIP CONTRACTS

THIS ASSIGNMENT OF MEMBERSHIP CONTRACTS, made (the "Assignment"), by \_\_\_\_\_, an [Individual, corporation, LLC] (individually and collectively the "Debtor"), to Lease Servicing Center, Inc., a Minnesota corporation. ("Creditor")

WITNESSETH:

WHEREAS, the Creditor and \_\_\_\_\_ ("Debtor") have agreed that the Creditor shall finance for Debtor equipment pursuant to a Equipment Finance Agreement between them dated as of the date hereof (the "Agreement");

WHEREAS, to secure prompt payment when due of all amounts and performance of all covenants, obligations, terms and conditions to be paid, kept and performed by Debtor under the Agreement and all Agreements (as defined in the Equipment Finance Agreement) currently or subsequently entered into thereunder between Lease Servicing Center, Inc., including any of its affiliates, subsidiaries, successors and assigns (the "Creditor"), and Debtor (the Equipment Finance Agreement and all Agreements, Schedules and attachments thereto (all as defined in the Equipment Finance Agreement) individually and collectively referred to as the "Agreement"), the Debtor has granted the Creditor a security interest in certain assets of the Debtor pursuant to the Agreement, dated as of the date hereof and;

WHEREAS, the Creditor has required, as a condition of its entering into the Agreement and pursuant to the Agreement, that the Debtor further secure the Agreement and Debtor's obligations thereunder by this Assignment;

NOW, THEREFORE, in consideration of the foregoing and other good and valuable consideration which is hereby acknowledged, the Debtor does hereby make this Assignment to the Creditor as follows:

The Debtor does hereby sell, assign, transfer and set over unto the Creditor all of the Debtor's right, title and interest in and to all membership agreements related in any way to Debtor's Snap Fitness franchise which is the subject of the Equipment Finance Agreement (the "Membership Contracts").

The Debtor warrants and covenants that it has good right to sell, transfer and assign the Membership Contracts.

This Assignment is not effective unless and until the Creditor has given to the relevant member written notice that it has affirmatively exercised its rights under this Assignment after the occurrence of a default by Debtor under the Agreement. Further, this Assignment may only be exercised in connection with the exercise of the assignment for the Franchise Agreement, which must be approved in advance by Franchisor in accordance with the terms of the Franchise Agreement Assignment. In the event of such assignment, Creditor shall assume no liability for monies owed or other liabilities relating to the Membership Contracts that have accrued prior to the effective date of the Assignment. The Creditor may reassign its right, title and interest in the Membership Contracts to any persons or entities in the Creditor's discretion upon notice to the Debtor but without any further requirement for the Debtor's consent, and any such reassignment shall be valid and binding upon the Debtor as fully as if each had expressly approved the same; provided however that any such reassignment may be exercised only to assign the Membership Contracts for membership in a Snap Fitness facility.

The Debtor represents and warrants that, other than as provided in the Franchise Agreement, there have been no prior assignments of the Membership Contracts, that it has a valid and enforceable agreement with the members, that neither party under such agreements is in default to the other thereunder and that all covenants, conditions and agreements have been performed as required therein, except those not due to be performed until after the date hereof. The Debtor agrees not to assign, sell, pledge or otherwise transfer or encumber its interest in the Member Contracts so long as this Assignment is in effect.

The Debtor hereby irrevocably constitutes and appoints the Creditor as its attorney-in-fact to demand, receive, and enforce the Debtor's rights with respect to the Member Contracts, to make payments

under the Member Contracts and give appropriate receipts, releases and satisfactions for and on behalf of and in the name of the Debtor or, at the option of Creditor, in the name of the Creditor, with the same force and effect as the Debtor could do if this Assignment had not been made.

This Assignment is for security purposes only. Accordingly, the Creditor shall have no right under this Assignment to enforce the provisions of the Membership Contracts until the Debtor shall be in default under its obligations to the Creditor under the Agreement or any instrument, document or agreement related thereto. Upon the occurrence of any such default, the Creditor may, without affecting any of its rights or remedies against the Debtor under any other instrument, document or agreement, exercise its rights under this Assignment as the Debtor's attorney-in-fact or in any other manner permitted by law and, in addition, the Creditor shall have and possess, without limitation, any and all rights and remedies of a secured party under the Uniform Commercial Code, as enacted in the jurisdiction where enforcement is sought, or otherwise provided by law.

The Debtor hereby agrees to indemnify and hold the Creditor harmless from and against any and all claims, demands, liabilities, losses, lawsuits, judgments, and costs and expenses (including without limitation, attorneys' fees) to which the Creditor may become exposed, or which the Creditor may incur, in exercising any of its rights under this Assignment.

Subject to the aforesaid limitation on further assignment by the Debtor, this Assignment shall be binding upon and inure to the benefit of the heirs, legal representatives, assigns, and successors in interest of the Debtor and the Creditor.

IN WITNESS WHEREOF, the Debtor has executed this Assignment of Membership Contracts on the day and year first above written.

## Signature Page for Assignments:

- Assignment of Franchise Agreement & Franchisor's Consent
- Assignment of Premises Lease
- Assignment of Telephone Numbers and Utilities
- Assignment of Membership Contracts

DEBTOR(S):

---

(Date of the "Assignment")

---

---

Signature

---

---

,  
Print Name & Title

---

---

Address

---

---

City

State

Zip Code

---

---

Telephone

|

**EXHIBIT H-3**  
**Snap Fitness In-House Program Sample Agreement**



## **SNAP FITNESS FINANCE, LLC**

### **LEASE DOCUMENT CHECKLIST**

- \_\_\_\_\_ 1. Equipment Lease Application
- \_\_\_\_\_ 2. Credit, UCC and name check for lessee and all Guarantors
- \_\_\_\_\_ 3. Approval of Snap Fitness Controller
- \_\_\_\_\_ 4. Master Lease Agreement
  - \_\_\_\_\_ a. Master Lease Agreement
  - \_\_\_\_\_ b. Appendix A – Individual/Entity and Account Information
  - \_\_\_\_\_ c. Master Lease Agreement Amendment #1
  - \_\_\_\_\_ d. Guarantee from all individuals (including spouses) and all entities listed on Appendix A of the Master Lease Agreement
  - \_\_\_\_\_ e. Pre Authorization of Payment Agreement from Lessee and each individual and entity signing a Guarantee
  - \_\_\_\_\_ f. Security Agreement from Lessee and each individual and entity signing a Guarantee
  - \_\_\_\_\_ g. Assignment of Franchise Agreement, Franchisor's Consent, Assignment of Premises Lease, Assignment of Telephone Numbers and Utilities, and Assignment of Membership Contracts from Lessee and each individual and entity signing a Security Agreement
  - \_\_\_\_\_ h. Equipment Schedule to Master Lease Agreement (including all attachments)
    - \_\_\_\_\_ 1. Quote, Bill of Sale and/or Invoice for Equipment
- \_\_\_\_\_ 5. Corporate documents from Lessee and each entity signing a Guarantee
  - \_\_\_\_\_ a. Corporate Secretary's Certificate of Authority
- \_\_\_\_\_ 6. Insurance documents from the Lessee and all Guarantors
  - \_\_\_\_\_ a. Insurance Verification
  - \_\_\_\_\_ b. Insurance Binder/Certification Ordered \_ Received \_\_\_\_\_
- \_\_\_\_\_ 7. UCC-1 filed by \_\_\_\_\_

# MASTER LEASE AGREEMENT

Dated: \_\_\_\_\_

**Lessor:**

**Snap Fitness Finance, LLC**

**2411 Galpin Court, Suite 110**

**Chanhassen, MN 55317**

**CONTACT: Matt Gosche**

**PHONE: 952-567-5944**

**Lessee:**

**CONTACT:** \_\_\_\_\_

**PHONE:** \_\_\_\_\_

**1. Master Lease.** The undersigned Lessee ("**Lessee**") unconditionally and irrevocably agrees to lease from the above referenced Lessor (together with all successors, affiliates and assignees thereof, collectively, "**Lessor**") the equipment and other personal property (together with all current and future accessories, additions and attachments thereto, and all replacements and substitutions therefore, collectively, the "**Equipment**") described in each Equipment Schedule referencing this Master Lease Agreement (each, together with any attachments thereto, a "**Schedule**") and purchased from the supplier(s) noted in the applicable Schedule (each, a "**Supplier**"). Each Schedule shall incorporate by reference all of the terms of this Master Lease Agreement and shall constitute a separate lease agreement (each such Schedule, together with such incorporated terms of this Master Lease Agreement, collectively, a "**Lease**") that is assignable separately from each other Lease. In the event of a conflict between this Master Lease Agreement and the terms of a Schedule, the terms of the Schedule shall prevail. No provision of a Lease may be waived or modified except in a writing signed by Lessor's duly authorized representative.

**2. Term.** The term of each Lease shall consist of an initial term ("**Initial Term**") and, one or more renewal terms, if any ("**Renewal Term**"). The Initial Term and Renewal Term are referred to collectively as the "Term." The Initial Term shall commence on the date the Equipment is accepted for lease by Lessee under the Lease ("**Commencement Date**") and shall continue for the number of months set forth in the Schedule. Lessee shall be deemed to have accepted the Equipment for lease upon its delivery from the Supplier.

**3. Rent.** All advance rent under any Schedule is due and payable upon its execution and is not refundable. All subsequent periodic rental payments payable with respect to each month during the Term ("**Periodic Rent**") and other amounts due from Lessee to Lessor under such Schedule (together with all advance rentals, "**Rent**") shall be paid pursuant to the terms set forth in such Schedule. **No acceptance of any item of Equipment may be revoked by Lessee.** Unless otherwise instructed by Lessor in writing, all payments of Rent shall be made to Lessor via electronic funds transfer as set forth in the Lease. Any payment by or on behalf of Lessee that purports to be payment in full for any obligation under any Lease may only be made after Lessor's prior written agreement to accept such payment amount.

**4. Rent Payments; Fees.** Other than Periodic Rent payable as part of an advance payment, the first payment of Periodic Rent due under the Lease shall be due and payable as specified in the Schedule ("**First Payment Date**"). Periodic Rent (other than that which is part of any advance payment) is due monthly in advance beginning on the First Payment Date and continuing on the same day of each month during the Term regardless if Lessee receives an invoice therefore. Unless otherwise instructed by Lessor in writing, all amounts due to Lessor including Rent will be automatically deducted directly from Lessee's bank or financial institution account(s) (individually and collectively referred to as "Lessee's Account") within ten (10) days of its due date. If there are insufficient funds in Lessee's Account or Lessee fails to pay any sum due under the Lease within five (5) days after its due date, Lessee agrees, in addition to Lessor's other remedies contained herein, to pay a late charge equal to (as reasonable liquidated damages and not as a penalty) the greater of \$29 or 10% of the amount of each such late payment. If any check or funds transfer request for any payment including Rent is returned to Lessor unpaid, Lessee shall pay Lessor a service charge of \$55 for each such

returned check or request. Lessee agrees to pay Lessor a documentation and other transaction fees as applicable, as set forth on the Schedule.

**5. Electronic Transfer of Funds.** Lessee must sign an electronic transfer of funds authorization authorizing and directing Lessee's bank(s) or financial institution(s) to transfer electronically, on a monthly basis, directly to Lessor's account and to charge Lessee's account all amounts due to Lessor. Lessee must maintain Lessee's account and a balance in the account sufficient to allow Lessor to collect the amounts owed when due. Lessee is responsible for all charges and expenses of any kind or nature associated with the transfer of funds described herein. If a financial institution or bank requires additional or different forms to effect the authorization granted in the Lease, Lessee agrees the Lessee will sign and return such form(s) to Lessor within 24 hours of Lessor making such request.

**6. Equipment.** Lessee shall keep the Equipment free of liens, claims and encumbrances, and shall not modify, alter, add to, move, sell, transfer, lease, sublease or otherwise encumber any Equipment or permit any Equipment to become attached to any realty, in each case without the prior written consent of Lessor. Any modification, alteration or addition to any Equipment shall automatically become the sole property of Lessor. Lessor shall have the right to enter Lessee's premises during business hours to inspect any Equipment and observe its use upon at least one (1) day's prior written or verbal notice. Lessee shall comply with all applicable laws, rules and regulations concerning the operation, ownership, use and/or possession of the Equipment, and Supplier's requirements for continued maintenance thereof. If Lessee fails to accept delivery of any Equipment for any purpose, Lessee agrees to pay the price and all charges and penalties invoiced by Supplier to Lessor therefore and to indemnify and hold Lessor harmless and to defend Lessor (with counsel selected by Lessor) against, any claim brought by Supplier.

**7. Obligations Absolute.** NOTWITHSTANDING ANY CLAIM OF DEFECT OR ANY OTHER REASON WHATSOEVER, ALL RENTALS AND OTHER PAYMENTS UNDER EACH LEASE SHALL BE PAID BY LESSEE TO LESSOR ABSOLUTELY AND UNCONDITIONALLY, WITHOUT ANY DEFENSE, SETOFF, CLAIM OR COUNTERCLAIM OF ANY NATURE. Lessee hereby waives all rights to any indirect, punitive, special or consequential damages in connection with the Equipment or this Lease.

**8. Use.** All Equipment shall be used solely for business purposes, and not for personal, household or other use. Lessee shall maintain the Equipment in good repair in accordance with the instructions of the manufacturer thereof so that it shall be able to operate in accordance with the manufacturer's specifications. Lessee shall bear the entire risk of loss or damage to the Equipment, and may not transfer, sublease or assign any of its rights or obligations under any Lease or Equipment without Lessor's prior written consent. Lessor shall own the Equipment and may sell, assign, transfer or grant a security interest to any third party (each, an "**Assignee**") in any Equipment, Rent or Lease without notice to or consent by Lessee.

**9. Insurance; Indemnification.** Lessee shall at all times maintain liability, fire, damage, casualty (covering death and personal injury) and theft insurance on the Equipment in amounts and with insurers acceptable to Lessor, and shall list Lessor as an additional insured and loss payee thereon. Such insurance policies shall require the insurer to provide Lessor with at least 30 days' prior written notice of any material change in or cancellation of such insurance. In the event that Lessor determines that

any such insurance is not in effect, Lessor may (but shall not be required to) obtain such insurance at Lessee's expense. Upon any loss or damage to any Equipment, Lessee shall continue to pay all Rent hereunder for the remaining Term hereof and shall, at Lessor's sole election, either repair such Equipment or replace it with comparable equipment satisfactory to Lessor. Lessee shall indemnify, reimburse and defend (with counsel acceptable to Lessor) Lessor, including its and their affiliated companies and its and their officers, directors, employees and agents, on demand, from and against any and all damages, losses, liabilities, expenses, claims or legal proceedings relating to or arising out of this Lease or the ownership, use, operation, possession, sale, lease or maintenance of the Equipment, regardless of whether the term thereof shall have commenced or expired, including (without limitation) Lessor's attorneys' fees and expenses. Lessee's tax and indemnity obligations shall survive the termination of the Lease.

**10. UCC Filings.** Lessee acknowledges that this lease is intended to be a "finance lease" as defined in §2A-103(1)(g) of the Uniform Commercial Code("UCC"). **LESSEE WAIVES ANY AND ALL RIGHTS AND REMEDIES OTHERWISE GRANTED TO LESSEE BY UCC §§2A-508 THROUGH 2A-522.** Lessee authorizes Lessor to file UCC financing statements, and appoints Lessor Lessee's attorney-in-fact to execute and deliver such statements, disclosing Lessor's interest in the Equipment and in any "Additional Collateral" set forth in any Schedule. Lessee shall provide Lessor with at least 45 days' prior written notice of any change to Lessee's principal place of business, organization or incorporation.

**11. Taxes.** Lessee shall pay when and as due all taxes (together with all interest and penalties for the late payment or non-payment thereof "Taxes") imposed on any Lease or the ownership, use, possession, sale or lease of the Equipment (whether assessed on Lessor or Lessee) and shall indemnify and hold Lessor harmless from any such Taxes. Lessor may estimate the amount of any such Taxes due on the Equipment or this Lease and pay such Taxes on Lessee's behalf, and Lessee shall pay to Lessor as additional Rent any such amounts. In connection with and in addition to each of the payments shown on the first page, Lessee will pay to Lessor Lessor's estimate of the annual amount of property Taxes (if applicable) divided by the number of payments per annum. If the actual annual amount of such Taxes differs from the estimated payments made by Lessee, then Lessee will pay Lessor or Lessor will reimburse to Lessee (as applicable) the difference. Lessee also agrees to pay Lessor a per annum administration fee for the handling or collecting of any such property Tax or related return in an amount as Lessor determines but not to exceed \$50 per annum. Upon termination/expiration of the Lease Lessee agrees to promptly remit 90% of the previous year's personal property Tax due with respect to the Equipment as specified in a written notice from Lessor for application against that year's personal property Tax; provided, Lessee will remain liable for any deficiency.

**12. Return of Equipment.** Upon the expiration or earlier termination of the Lease, if Lessee has not exercised any option to purchase available to it, Lessee shall at its expense, pack and insure the Equipment and send it freight prepaid to a location designated by Lessor in the contiguous 48 states of the United States. All Equipment upon its return to Lessor shall be in the same condition and appearance as when delivered to Lessee, excepting only reasonable wear and tear from proper use and all such Equipment shall be eligible for manufacturer's maintenance. Lessee shall in all events pay Rent and otherwise comply with the Lease until the Equipment has been returned to Lessor.

**13. Facsimile Copies.** A photocopy or facsimile of this Master Lease Agreement and each Schedule will be legally admissible under the "best evidence rule." A signed copy of this Master Lease Agreement, any Schedule and/or any related document sent by facsimile shall be treated as an original document and shall be admissible as evidence thereof and all signatures thereon shall be binding as if manual signatures were personally delivered.

**14. Disclaimers.** Lessor is not the manufacturer or supplier of any Equipment and is not responsible for any delivery, installation, repair, maintenance or servicing thereof and Lessor shall have no obligations, or liabilities of any kind whatsoever concerning or relating to the Equipment. Lessee has selected each Supplier and manufacturer and all of the Equipment. Neither Supplier nor any manufacturer is an agent of Lessor, and no representative of Supplier is authorized to bind Lessor for any purpose or make any representation on Lessor's behalf. So long as Lessee is not in default under the Lease, Lessee is entitled to any and all

warranties provided to Lessor by or through Supplier or the manufacturer, and may communicate with Supplier and the manufacturer, and receive those warranties. So long as Lessee is not in default under the Lease, Lessor assigns such warranties to Lessee for the duration of the Lease Term. Lessee agrees to look only to Supplier or the manufacturer for any defect or breach of warranty regarding the Equipment. **LESSEE LEASES THE EQUIPMENT ON AN "AS-IS," "WHERE-IS" BASIS. LESSOR MAKES NO REPRESENTATION OR WARRANTY OF ANY KIND WHATSOEVER, EXPRESS OR IMPLIED, REGARDING ANY EQUIPMENT, INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.**

**15. Notices.** All notices required or provided for in any Lease, shall be in writing and shall be addressed to Lessee or Lessor, as the case may be, at its address set forth above or such other address as either such party may from time to time designate in writing to the other party. Such notice shall be deemed delivered and effective: (a) upon receipt, if delivered by hand or overnight courier, or (b) three (3) days after deposit with the U.S. Postal Service, if sent certified mail, return receipt requested with postage prepaid. No other means of delivery of notices shall be permitted.

**16. Default; Remedies.** Lessee will be in "default" hereunder, if any one or more of the following shall occur: (a) Lessee or any Guarantor of this or any Lease fails to timely pay Lessor any Rental(s) due under the Lease or any other Lease; (b) Lessee or any Guarantor breaches any other term of the Lease, any other Lease, or any franchise or other agreement with Lessor; (c) Lessee or any Guarantor makes any misrepresentation to Lessor; (d) Lessee or any Guarantor fails to pay any other obligation owed, including under any franchise agreements, to Lessor, or any other party; (e) Lessee or any Guarantor shall consent to the appointment of a receiver, trustee or liquidator of itself or a substantial part of its assets; (f) there shall be filed by or against Lessee or any Guarantor a petition in bankruptcy; (g) Lessee's or any Guarantor's articles of incorporation or other formation documents shall be amended to change Lessee's or Guarantor's name or state of incorporation or formation; or, (h) Lessee's or any Guarantor's legal existence in its state of incorporation or formation shall have lapsed or terminated or Lessee or any Guarantor shall otherwise dissolve or liquidate its assets. Upon default, Lessor may do any one or more of the following: (1) recover from Lessee or any Guarantor the sum of (A) any and all Rentals, late charges and other amounts then in each case due and owing under any or all Leases, (B) accelerate and collect the unpaid balance of the remaining Rentals scheduled to be paid under any or all Leases, together with Lessor's anticipated residual interest in any or all of Equipment subject thereto, both discounted to present value at a rate of 5.50% per annum, and (C) Lessor's related attorneys' fees, collection costs and expenses; (2) enter upon Lessee's or any Guarantor's premises and take possession of any or all of such Equipment or any other equipment owned, leased or otherwise operated by Lessee or any Guarantor; (3) terminate any or all Leases with Lessee and any or all Guarantors; (4) take possession of and assume all control, operational or otherwise, over Lessee's and any Guarantor's franchise and/or (5) utilize any other right or remedy provided by applicable law. Lessee shall also pay to Lessor interest on all unpaid sums due hereunder from the due date thereof until paid in full, at a rate per annum equal to the lower of 1-1/2% per month or the highest rate of interest permitted by applicable law. Lessee waives any rights that Lessee may have to require Lessor to sell or otherwise dispose of any Equipment.

**Lessee expressly recognizes that Lessee may have termination rights under franchise regulations that contain specific notice, right to cure, and other provisions related to their franchises and franchise agreements that are separate and outside the Lease. Lessee hereby agrees and acknowledges that Lessor may notify any and all of Lessee's or Guarantor's franchisors and take such actions as allowed under the Lease and under law or equity upon Lessee's failure to make any payment, including Rent, when due. Lessee waives all claims and arguments that this Lease provision is an attempt by Lessor to circumvent the requirements of any and all franchise laws.**

**17. Representations and Warranties of Lessee.** As an inducement to the Lessor to undertake this Lease, Lessee agrees to a cross guarantee from all of Lessee's owners and related entities and agrees to cross default remedies under all existing and future agreements with Lessor. A default by Lessee under this Lease or any other agreement with Lessor shall be

deemed a default under all agreements with Lessor. Lessee represents and warrants that it has: (a) listed in Appendix A all individuals and entities that are in any way related to Lessee, including all entities that are owned in whole or in part by Lessee or any and all of Lessee's owners; (b) listed in Appendix A all bank and financial institution accounts associated with Lessee, Lessee's owners, and all individuals and entities disclosed in (a) of this provision; and (c) the authority by law, its articles of incorporation, and as required by its bylaws and board of directors to enter into and be bound by this Lease and all Schedules and attachments hereto.

**18. Requests from Lessor.** All of Lessor's requests for documents, signatures and/or information must be returned to Lessor fully completed and executed within 48 hours.

**19. Covenants of the Lessee.** So long as the Lease shall remain in effect, the Lessee will, unless Lessor gives its prior written consent:

(a) **Financial Reporting:** furnish to the Lessor as soon as available and in any event within thirty (30) days after the end of each quarter of each fiscal year of the Lessee, balance sheets of the Lessee as of the end of such quarter and statements of income and loss of the Lessee for the period commencing at the end of the previous fiscal year and ending with the end of such quarter, verified by the chief financial officer of the Lessee; and,

(b) **Membership Criteria:** (i) maintain a minimum membership level of \_\_\_\_\_ members; (ii) not allow membership in any Snap Fitness location that is in any way affiliated with Lessee through common ownership or otherwise to decrease by \_\_\_\_\_ members from the membership level on the Commencement Date; and (iii) not allow membership to decline four out of any contiguous six months.

**20. Miscellaneous.** Lessee may not assign any Lease, Schedule or any of it rights or obligations thereunder without Lessor's prior written consent. Lessor may assign this Master Lease Agreement and any Leases or Schedules hereunder without notice to or consent from Lessee or any Guarantor. Leases shall be binding on Lessee's successors and permitted assigns, and shall inure to the benefit of Lessor and its successors and assignees. This Master Lease Agreement and each Lease shall be deemed entered into and performed in Minnesota. **EACH LEASE SHALL BE GOVERNED BY THE LAWS OF MINNESOTA, WITHOUT REGARD TO ITS PRINCIPLES OF CONFLICTS OF LAW OR CHOICE OF LAW. LESSEE HEREBY CONSENTS TO THE EXCLUSIVE JURISDICTION AND VENUE OF THE FEDERAL AND STATE COURTS LOCATED IN MINNESOTA, IN ANY ACTION OR PROCEEDING RELATING TO ANY LEASE OR EQUIPMENT, AND THE PARTIES WAIVE THE RIGHT TO A JURY TRIAL THEREIN.** The parties intend each Lease to be a true lease or a time-sale of goods (for which a cash price was offered to Lessee), and not a loan, and do not intend to exceed any applicable usury laws. If for any reason a Lease is held to involve a loan of money, any amounts payable hereunder in excess of the applicable highest lawful rate of interest shall be deemed a prepayment of any principal amount hereunder and, if such principal is paid in full, such excess amounts shall be refunded to Lessee. The Lessee named below and all individuals whose names appear on the application expressly authorize consumer reporting agencies and other persons to furnish credit information to Lessor, separately or jointly with other creditors or lessors, for use in connection with this Lease. Lessors and joint users of such information are authorized to receive and exchange credit information and to update such information as appropriate during the term of this Lease. Information about the undersigned may be used for marketing and administrative purposes and shared with Lessor's affiliates. The Lessee may direct Lessor not to disclose that information (except transaction and experience information) with Lessor's affiliates by writing to the Lessor.

**LESSEE HAS READ THIS MASTER LEASE  
AGREEMENT AND EACH SCHEDULE  
BEFORE SIGNING IT.**

**Lessee:** \_\_\_\_\_

**Signature:** \_\_\_\_\_

**Date:** \_\_\_\_\_

**Printed Name & Title:** \_\_\_\_\_

**Signature:** \_\_\_\_\_

**Date:** \_\_\_\_\_

**Printed Name & Title:** \_\_\_\_\_

**Federal Tax Identification or Social Security  
Number:** \_\_\_\_\_

**Appendix A – Individual/Entity and Account Information**

Lessee certifies that this Appendix contains: (1) all owners of Lessee and all entities that are in any way related to Lessee, including all entities that are owned in whole or in part by Lessee or any and all of Lessee's owners; and (2) all bank and financial institution accounts associated with Lessee and the individuals/entities responsive to #1 above. Add additional pages if necessary. All entities responsive to #1 above must execute the attached Guarantee and Pre Authorized Payment Agreement.

For all owners that are individuals, include the owner's full name, spouse's full name, and state of residence.

For all owners that are entities other than individuals, including partnerships, limited liability companies, corporations, etc., please include full entity name, address of principle place of business, and state of incorporation or registration.

Person/Entity			Bank/Financial Institution		
Name & Address	State of Incorporation/ Registration/Residence	Relationship to Lessee	Name & Address	Routing Number	Account Number

**MASTER LEASE AGREEMENT AMENDMENT #1 ("Amendment #1")**

On this \_\_\_\_\_ day of \_\_\_\_\_, 2009, Snap Fitness Finance, LLC and \_\_\_\_\_, a company duly organized under the laws of \_\_\_\_\_, with a registered address of \_\_\_\_\_ (hereinafter "Lessee"), agree to amend their Master Lease Agreement dated the \_\_\_\_\_ day of \_\_\_\_\_, 2009 as follows:

WHEREAS, the parties entered into a Master Lease Agreement dated the \_\_\_\_\_ day of \_\_\_\_\_, 2009 (the "Agreement"); and

WHEREAS, the parties wish to amend the Agreement as set forth herein;

NOW THEREFORE, in consideration of the mutual covenants and agreement contained in the Agreement, this Amendment #1 and other good and valuable consideration the receipt and sufficiency of which are hereby acknowledged, the parties, intending to be legally bound, agree as follows:

1. Notwithstanding anything to the contrary in the Agreement, if Lessee shall breach Section 19(b) of the Agreement, Lessor will provide to Lessee a lease payoff amount (the "Lease Payoff Amount"). As its sole option to cure such breach, Lessee will have thirty (30) calendar days from the date it receives notice of the Lease Payoff Amount to remit payment of the entire Lease Payoff Amount to Lessor. If Lessee fails to make such payment Lessee shall be considered in breach of the Agreement and Lessor may exercise all rights and remedies it has under the Agreement or otherwise.
2. All terms with initial capital letters in this Amendment #1 shall have the meaning ascribed to them in the Agreement unless otherwise indicated herein.
3. All other terms and conditions of the Agreement remain in full force and effect.

IN WITNESS WHEREOF, each party has caused this Amendment #1 to be executed by its duly authorized officer effective as of the date first above written.

LESSOR:

Snap Fitness Finance, LLC

LESSEE:

\_\_\_\_\_  
Individual's name (if signing individually)/  
Company name (if signing on behalf of a company)

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Peter Taunton, President

\_\_\_\_\_  
Print Name & Title

\_\_\_\_\_  
2411 Galpin Court, Suite 110

\_\_\_\_\_  
Address

\_\_\_\_\_  
Chanhassen MN 55317  
City State Zip Code

\_\_\_\_\_  
952-474-5422

\_\_\_\_\_  
Telephone

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Print Name & Title

\_\_\_\_\_  
Address

\_\_\_\_\_  
City State Zip Code

\_\_\_\_\_  
Telephone

## GUARANTEE

FOR VALUE RECEIVED, and in consideration of the sum of One U.S. Dollar (\$1.00) and for other good and valuable consideration the receipt of which is hereby acknowledged, and in consideration of credit given and which may hereafter be given through a lease or otherwise to JSFF4, LLC ("Lessee") each of the undersigned, for themselves, their heirs, successors, and assigns, do jointly, individually and severally unconditionally and irrevocably guarantee to Lessor the prompt payment when due of all amounts and performance of all covenants, obligations, terms and conditions to be paid, kept and performed by Lessee under the Master Lease Agreement and all Leases (as defined in the Master Lease Agreement) currently or subsequently entered into thereunder between Snap Fitness Finance, LLC, including any of its affiliates, subsidiaries, successors and assigns (the "Lessor"), and Lessee (the Master Lease Agreement and all Leases, Schedules and attachments thereto (all as defined in the Master Lease Agreement) individually and collectively referred to as the "Lease").

Further, the undersigned, individually and jointly, hereby agree to be personally bound by each and every condition and term contained in the Lease, and agree that this Guarantee will be construed as though the undersigned and each of them executed a lease containing the identical terms and conditions of the Lease. If Lessee defaults under a Lease, the undersigned will immediately perform all obligations of Lessee under such Lease, including, but not limited to, paying all amounts due when due under such Lease. The undersigned agrees that this is a guaranty of payment and not of collection, and that Lessor can proceed directly against the undersigned without first proceeding against Lessee or the equipment or other collateral covered by each Schedule. The undersigned agrees that Lessor can renew, extend, or otherwise modify the terms of each Lease and the undersigned will be bound by such changes. The undersigned will pay to Lessor all expenses (including attorneys' fees) incurred by Lessor in enforcing Lessor's rights against the undersigned.

**Each of the undersigned expressly recognizes that they may have termination rights under franchise regulations that contain specific notice, right to cure, and other provisions related to their franchises and franchise agreements that are separate and outside the Lease and this Guarantee. Each of the undersigned hereby agrees and acknowledges that Lessor may notify any and all of the undersigned's franchisors and take such actions as allowed under the Lease, this Guarantee and under law or equity upon Lessee's failure to make any payment, including Rent, when due. Lessee and each of the undersigned waive all claims and arguments that this Lease provision is an attempt by Lessor to circumvent the requirements of any and all franchise laws.**

Each of the undersigned waives all defenses and notices, including, but not limited to: (1) notice of demand for payment of any indebtedness or nonperformance of any obligations hereby guaranteed; (2) protest and notice of default to any party respecting the indebtedness or nonperformance of any obligations hereby

guaranteed; and (3) any right he/she may have to require that an action be brought against Lessee or any other person as a condition of liability.

In addition, each of the undersigned consents and agrees that: (1) the undersigned's liability will not be contingent or conditioned upon our pursuit of any remedies against Lessee or any other person; and (2) this Guarantee and the undersigned's liability will not be discharged, diminished, relieved or otherwise affected by the undersigned's or Lessee's death, dissolution, termination, insolvency, bankruptcy or reorganization, the invalidity, illegality or unenforceability of all or any part of the Lease, or the amendment or extension of the Lease with or without notice to the undersigned.

Each of the undersigned hereby acknowledges the undersigned has signed a Pre Authorized Payment Agreement to authorize and direct the undersigned's bank(s) or financial institution(s) to transfer electronically, on Lessor's demand, directly to Lessor's account and to charge the undersigned's account all amounts due to Lessor. The undersigned must maintain the undersigned's account and a balance in the account sufficient to allow Lessor to collect the amounts owed when due. The undersigned is responsible for all charges and expenses of any kind or nature associated with the transfer of funds described herein. If a financial institution or bank requires additional or different forms to effect the authorization granted in this Guarantee, the undersigned agrees the undersigned must sign and return such form(s) to Lessor within 24 hours of Lessor making such request.

Payments under this Guarantee are due and payable upon Lessor's demand and are not refundable. Unless otherwise instructed by Lessor in writing, all payments shall be automatically deducted directly from the undersigned's bank or financial institution account(s) and made to Lessor via electronic funds transfer as set forth in the Pre Authorized Payment Agreement. Any payment by or on behalf of the undersigned or Lessee that purports to be payment in full for any obligation under this Guarantee or any Lease may only be made after Lessor's prior written agreement to accept such payment amount.

The undersigned authorizes Lessor or any of Lessor's designees to obtain, and share with others, credit bureau reports regarding the undersigned's personal credit, and make other credit inquiries that Lessor determines are necessary. **EACH OF THE UNDERSIGNED HEREBY CONSENTS TO THE EXCLUSIVE JURISDICTION AND VENUE OF THE FEDERAL AND STATE COURTS IN THE STATE OF MINNESOTA AND WAIVES ANY RIGHT TO A TRIAL BY JURY.**

It is further understood and agreed by the undersigned that the provisions, covenants and conditions of this Guarantee will inure to the benefit of Lessor's successors and assigns.

**[SIGNATURE PAGES FOLLOW.]**

GUARANTORS:

\_\_\_\_\_  
Individual's name (if signing individually)/  
Company name (if signing on behalf of a company)

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Print Name & Title

\_\_\_\_\_  
Address

\_\_\_\_\_  
City State Zip Code

\_\_\_\_\_  
Telephone

\_\_\_\_\_  
Individual's name (if signing individually)/  
Company name (if signing on behalf of a company)

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Print Name & Title

\_\_\_\_\_  
Address

\_\_\_\_\_  
City State Zip Code

\_\_\_\_\_  
Telephone

\_\_\_\_\_  
Individual's name (if signing individually)/  
Company name (if signing on behalf of a company)

\_\_\_\_\_  
Signature

\_\_\_\_\_  
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\_\_\_\_\_  
Address

\_\_\_\_\_  
City State Zip Code

\_\_\_\_\_  
Telephone

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\_\_\_\_\_  
Address

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\_\_\_\_\_  
Telephone



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Company name (if signing on behalf of a company)

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Signature

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Print Name & Title

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Address

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City State Zip Code

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Telephone

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Individual's name (if signing individually)/  
Company name (if signing on behalf of a company)

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Signature

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Print Name & Title

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Address

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City State Zip Code

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Telephone

## PRE AUTHORIZED PAYMENT AGREEMENT

I (We) hereby authorize Snap Fitness Finance, LLC, including any of its affiliates, successors and assigns (hereinafter "Snap Fitness") to automatically initiate and make debit entries (charges) against any of our accounts held by you, including, but not limited to, the account(s) listed below, (and for you to accept and post such debit entries) for the payment of all sums due from us to Snap Fitness under any Lease, Guarantee or other agreement. You are hereby directed to honor any debit entry initiated by Snap Fitness.

I (We) am/are responsible for, and must pay on demand, all costs and charges relating to the handling of debit entries pursuant to this authorization. In addition, I (We) understand that Snap Fitness may impose a fee in the event a debit entry is not paid by you.

This authority is to remain in effect until you have received written notification from Snap Fitness of its termination.

Any erroneous or incorrect charge will be corrected upon notification to you from Snap Fitness. If corrections in a debit account are necessary, it may involve a credit or debit to my/our account(s).

**Account Holder Name:** \_\_\_\_\_

**Bank Name:** \_\_\_\_\_

**Bank Address:** \_\_\_\_\_

**City:** \_\_\_\_\_ **State:** \_\_\_\_\_ **Zip:** \_\_\_\_\_

**Bank ABA Routing #:** \_\_\_\_\_

**Bank's Account #:** \_\_\_\_\_

**Account Holder Account #(s):** \_\_\_\_\_

\_\_\_\_\_

**Account Holder Signature:** \_\_\_\_\_

**Date:** \_\_\_\_\_

## PRE AUTHORIZED PAYMENT AGREEMENT

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**Bank ABA Routing #:** \_\_\_\_\_

**Bank's Account #:** \_\_\_\_\_

**Account Holder Account #(s):** \_\_\_\_\_

\_\_\_\_\_

**Account Holder Signature:** \_\_\_\_\_

**Date:** \_\_\_\_\_

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**Account Holder Account #(s):** \_\_\_\_\_

\_\_\_\_\_

**Account Holder Signature:** \_\_\_\_\_

**Date:** \_\_\_\_\_

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**Bank Name:** \_\_\_\_\_

**Bank Address:** \_\_\_\_\_

**City:** \_\_\_\_\_ **State:** \_\_\_\_\_ **Zip:** \_\_\_\_\_

**Bank ABA Routing #:** \_\_\_\_\_

**Bank's Account #:** \_\_\_\_\_

**Account Holder Account #(s):** \_\_\_\_\_

\_\_\_\_\_

**Account Holder Signature:** \_\_\_\_\_

**Date:** \_\_\_\_\_

# SECURITY AGREEMENT

DATED: \_\_\_\_\_

DEBTOR:  
(All of the below individually and collectively "Debtor")

SECURED PARTY:  
  
SNAP FITNESS FINANCE, LLC  
2411 Galpin Drive, Suite 110  
Chanhassen, MN 55317

1. Security Interest and Collateral. To secure payment and performance of each and every debt, liability and obligation of every type and description which Debtor may now or at any time hereafter owe to Secured Party (whether such debt, liability or obligation now exists or is hereafter created or incurred, and whether it is or may be direct or indirect, due or to become due, absolute or contingent, primary or secondary, liquidated or unliquidated, or joint, several or joint and several; all such debts, liabilities and obligations being herein collectively referred to as the "Obligations"), Debtor hereby grants Secured Party a security interest (herein called the "Security Interest") in all property of the debtor including, but not limited to, all investment property and the following property (herein called the "Collateral"):

## FURNITURE, FIXTURES AND EQUIPMENT:

All equipment of Debtor used or intended to be used in connection with Debtor's fitness business(es) presently operated at: (each of the locations below individually and collectively referred to as "Debtor's Location")

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whether now owned or hereafter acquired, including but not limited to all present and future machinery, vehicles, furniture, fixtures, shop equipment, office and recordkeeping equipment, parts and tools, and the goods described in the equipment schedule or list herewith or hereafter furnished to Secured Party by Debtor (but no such schedule or list need be furnished in order for the security interest granted herein to be valid as to all of the Debtor's equipment);

## LEASEHOLD IMPROVEMENTS:

All leasehold improvements of Debtor, whether now approved or hereafter approved and wherever located;

## INVENTORY:

All inventory of Debtor, whether now owned or hereafter acquired and wherever located;

## ACCOUNTS AND OTHER RIGHTS TO PAYMENTS:

Each and every right of Debtor to the payment of money, whether such right to payment now exists or hereafter arises, whether such right to payment arises out of a sale, lease or other disposition of goods or other property by Debtor, out of a rendering of services by Debtor, out of a loan by Debtor, out of the overpayment of taxes or other liabilities of Debtor, or otherwise arises under any contract or agreement, whether such right to payment is or is not already earned by performance, and howsoever such right to payment may be evidenced, together with all other rights and interests (including all liens and security interests) which Debtor may at any time have by law or agreement against any account debtor or other obligor obligated to make any such payment or against any of the property of such account debtor or other obligor; all including but not limited to all present and future debt instruments, chattel papers, accounts, loans and obligations receivable and tax refunds;

## FRANCHISE AGREEMENT:

Each and every right of Debtor under the franchise agreement(s):

Each and every right of Debtor under the franchise agreement, dated \_\_\_\_\_,  
between \_\_\_\_\_, as franchisee, and Snap Fitness, Inc., as franchisor;

Each and every right of Debtor under the franchise agreement, dated \_\_\_\_\_,  
between \_\_\_\_\_, as franchisee, and Snap Fitness, Inc., as franchisor;

Each and every right of Debtor under the franchise agreement, dated \_\_\_\_\_,  
between \_\_\_\_\_, as franchisee, and Snap Fitness, Inc., as franchisor;

Each and every right of Debtor under the franchise agreement, dated \_\_\_\_\_,  
between \_\_\_\_\_, as franchisee, and Snap Fitness, Inc., as franchisor;

#### PREMISES LEASE:

Each and every right of Debtor under the premises lease, dated \_\_\_\_\_,  
between \_\_\_\_\_, as tenant, and \_\_\_\_\_,  
as landlord;

Each and every right of Debtor under the premises lease, dated \_\_\_\_\_,  
between \_\_\_\_\_, as tenant, and \_\_\_\_\_,  
as landlord;

Each and every right of Debtor under the premises lease, dated \_\_\_\_\_,  
between \_\_\_\_\_, as tenant, and \_\_\_\_\_,  
as landlord;

Each and every right of Debtor under the premises lease, dated \_\_\_\_\_,  
between \_\_\_\_\_, as tenant, and \_\_\_\_\_,  
as landlord;

#### TELEPHONE NUMBERS & UTILITIES:

Each and every right of Debtor in any and all telephone numbers and utilities associated with any  
and all of Debtor's Snap Fitness franchises and locations;

#### MEMBERSHIP CONTRACTS:

Each and every right of Debtor in any and all membership contracts associated with any and all of  
Debtor's Snap Fitness franchises and locations;

#### GENERAL INTANGIBLES:

All general intangibles of Debtor, whether now owned or hereafter acquired, including but not limited  
to, copyrights, trademarks, trade secrets, good will, trade names, customer lists, permits and franchises,  
and the right to use Debtor's name;

together with all substitutions and replacements for and products of any of the foregoing property not constituting  
consumer goods and together with proceeds of any and all of the foregoing property and, in the case of all tangible  
Collateral, together with all accessions and, except in the case of consumer goods, together with (i) all accessories,  
attachments, parts, equipment and repairs now or hereafter attached or affixed to or used in connection with any  
such goods, and (ii) all warehouse receipts, bills of lading and other documents of title now or hereafter covering  
such goods; and,

#### CONTRACT RIGHTS:

All contract rights related to business matters, whether now a party to, or hereafter a party to such  
contract.

Debtor and Secured Party agree that Secured Party can file a financing statement that describes the Collateral as  
all property of the Debtor even if it is found this Agreement does not cover all of Debtor's property.

#### 2. Representations, Warranties and Agreements. Debtor represents, warrants and agrees that:

(a) Debtor is an individual and LLC (as applicable), duly organized, validly existing and in good  
standing in the jurisdiction in which the Collateral is located;

(b) the Collateral will be used primarily for business purposes;

(c) if any part or all of the tangible Collateral will become so related to particular real estate as to  
become a fixture, the real estate concerned is legally described on Exhibit A attached hereto, if any, and

incorporated herein by reference, and the name of the record owner is as set forth on Exhibit A, if any, attached hereto; and,

(d) Debtor's chief executive office is located at the address of Debtor shown at the beginning of this Agreement.

3. Additional Representations, Warranties and Agreements. Debtor represents, warrants and agrees that:

(a) Debtor has (or will have at the time Debtor acquires rights in Collateral hereafter arising) absolute title to each item of Collateral free and clear of all security interests, liens and encumbrances, except the Security Interest, and will defend the Collateral against all claims or demands of all persons other than Secured Party. Debtor will not sell or otherwise dispose of the Collateral or any interest therein without the prior written consent of Secured Party, except that, until the occurrence of an Event of Default and the revocation by Secured Party of Debtor's right to do so, Debtor may sell any inventory constituting Collateral to buyers in the ordinary course of business. If Debtor is a corporation, this Agreement has been duly and validly authorized by all necessary corporate action, and, if Debtor is a partnership, the partners(s) executing this Agreement has (have) authority to act for the partnership;

(b) Debtor will not permit any tangible Collateral to be located in any state (and, if county filing is required, in any county) in which a financing statement covering such Collateral is required to be, but has not in fact been, filed in order to perfect the Security Interest. Debtor will keep the tangible Collateral located at, and will not, without first obtaining the prior written consent of Secured Party, remove any tangible Collateral from Debtors Location. Debtor shall notify Secured Party of the Debtor's intent to relocate any tangible Collateral at least thirty (30) days prior to such relocation;

(c) Each right to payment and each instrument, document, chattel paper and other agreement constituting or evidencing Collateral is (or will be when arising or issued) the valid genuine and legally enforceable obligation, subject to no defense, set-off or counterclaim (other than those arising in the ordinary course of business) of the account debtor or other obligor named therein or in Debtor's records pertaining thereto as being obligated to pay such obligation. Debtor will neither agree to any material modification or amendment nor agree to any cancellation of any such obligation without Secured Party's prior written consent, and will not subordinate any such right to claims of other creditors of such account debtor or other obligor; and,

(d) Debtor will (i) keep all tangible Collateral in good repair, working order and condition, normal depreciation excepted, and will, from time to time, replace any worn, broken or defective parts thereof; (ii) promptly pay all taxes and other governmental charges levied or assessed upon or against any Collateral or upon or against the creation, perfection or continuance of the Security Interest; (iii) keep all Collateral free and clear of all security interests, liens and encumbrances except the Security Interest; (iv) at all reasonable times, permit Secured Party or its representatives to examine or inspect any Collateral, wherever located, and to examine, inspect and copy Debtor's books and records pertaining to the Collateral and its business and financial condition and to send and discuss with account debtors and other obligors requests for verification of amounts owed to Debtor; (v) keep accurate and complete records pertaining to the Collateral and pertaining to Debtor's business and financial condition and submit to Secured Party such periodic reports concerning the Collateral and Debtor's business and financial condition as Secured Party may from time to time reasonably request; (vi) promptly notify Secured Party of any loss of or material damage to any collateral or of any adverse change, known to Debtor, in the prospect of payment of any sums due on or under any instrument, chattel paper, or account constituting Collateral; (vii) if Secured Party at any time so requests (whether the request is made before or after the occurrence of an Event of Default), promptly deliver to Secured Party any instrument, document or chattel paper constituting Collateral, duly endorsed or assigned by Debtor; (viii) at all times keep all tangible Collateral insured against risks of fire (including so-called extended coverage), theft, collision (in the case of Collateral consisting of motor vehicles) and such other risks and in such amounts as Secured Party may reasonably request with any loss payable to Secured Party to the extent of its interest; (ix) from time to time execute such financing statements as Secured Party may reasonably require in order to perfect the Security Interest and, if any Collateral consists of a motor vehicle, execute such documents as may be required to have the Security Interest properly noted on a certificate of title; (x) pay when due or reimburse Secured Party on demand for all costs of collection of any of the Obligations and all other out-of-pocket expenses (including in each case all attorneys' fees) incurred by Secured Party in connection with the creation, perfection, satisfaction, protection, defense or enforcement of the Security Interest or the creation, continuance, protection, defense or enforcement of this Agreement or any or all of the Obligations, including expenses incurred in any litigation or bankruptcy or insolvency proceedings; (xi) execute, deliver or endorse any and all instruments, documents, assignments, security agreements and other agreements and writings which Secured Party may at any time reasonably request in order to secure, protect, perfect or enforce the Security Interest and Secured Party's rights under this Agreement; (xii) not to use or keep any Collateral, or permit it to be used or kept, for any unlawful purpose or in violation of any federal, state or local law, statute or ordinance; and (xiii) not permit any tangible Collateral to become part of or to be affixed to any real property without first assuring to



the reasonable satisfaction of Secured Party that the Security Interest will be prior and senior to any interest or lien then held or thereafter acquired by any mortgagee of such real property or the owner or purchaser of any interest therein. If Debtor at any time fails to perform or observe any agreement contained in this section 3(d), and if such failure shall continue for a period of ten calendar days after Secured Party gives Debtor notice thereof (or, in the case of the agreements contained in clauses (viii) and (ix) of this Section 3(d), immediately upon the occurrence of such failure, without notice or lapse of time), Secured Party may (but need not) perform or observe such agreement on behalf and in the name, place and stead of Debtor (or, at Secured Party's option, in Secured Party's own name) and may (but need not) take any and all other actions which Secured Party may reasonably deem necessary to cure or correct such failure (including, without limitation, the payment of taxes, the satisfaction of security interests, liens, or encumbrances, the performance of obligations under contracts or agreements with account debtors or other obligors, the procurement and maintenance of insurance, the execution of financing statements, the endorsement of instruments, and the procurement of repairs, transportation or insurance); and, except to the extent that the effect of such payment would be to render any loan or forbearance of money usurious or otherwise illegal under any applicable law, Debtor shall thereupon pay Secured Party on demand the amount of all moneys expended and all costs and expenses (including attorney's fees) incurred by Secured Party in connection with or as a result of Secured Party's performing or observing such agreements or taking such actions, together with interest thereon from the date expended or incurred by Secured Party at the highest rate then applicable to any of the Obligations. To facilitate the performance or observance by Secured Party of such agreements of Debtor, Debtor hereby irrevocably appoints (which appointment is coupled with an interest) Secured Party, or its delegate, as the attorney-in-fact of Debtor with the right (but not the duty) from time to time to create, prepare, complete, execute, deliver, endorse or file in the name and on behalf of Debtor, any and all instruments, documents, financing statements, applications for insurance and other agreements and writings required to be obtained, executed, delivered or endorsed by Debtor under this Section 3 and Section 4.

4. Lock Box, Collateral Account. If Secured Party so requests at any time (whether before or after the occurrence of an Event of Default), Debtor will direct each of its account debtors to make payments due under the relevant account or chattel paper directly to a special lock box to be under the control by Secured Party. Debtor hereby authorizes and directs Secured Party to deposit into a special collateral account to be established and maintained with, or under the control of, Secured Party all checks, drafts and cash payments, received in said lock box. All deposits in said collateral account shall constitute proceeds of Collateral and shall not constitute payment of any Obligations. At its option, Secured Party may at any time apply finally collected funds on deposit in said collateral account to the payment of the Obligations in such order of application as Secured Party may determine, or permit Debtor to withdraw all or any part of the balance on deposit in said collateral account. If a collateral account is so established, Debtor agrees that it will promptly deliver to Secured Party for deposit into said collateral account all payments on accounts and chattel paper received by it. All such payments shall be delivered to Secured Party in the form received (except for Debtor's endorsement where necessary). Until so deposited, all payments on accounts and chattel paper received by debtor shall be held in trust by Debtor for and as the property of Secured Party and shall not be commingled with any funds or property of Debtor.

5. Account Verification and Collection Rights of Secured Party. Secured Party shall have the right to verify any accounts in the name of Debtor or in its own name; and Debtor, whenever requested, shall furnish Secured Party with duplicate statements of the accounts, which statements may be mailed or delivered by Secured Party for that purpose. Notwithstanding Secured Party's rights under Section 4 with respect to any and all debt instruments, chattel papers, accounts, and other rights to payment constituting Collateral (including proceeds), Secured Party may at any time (both before and after the occurrence of an Event of Default) notify any account debtor, or any other person obligated to pay any amount due, that such chattel paper, account, or other right to payment has been assigned or transferred to Secured Party for security and shall be paid directly to Secured Party. If Secured Party so requests at any time, Debtor will so notify such account debtors and other obligors in writing and will indicate on all invoices to such account debtors or other obligors that the amount due is payable directly to Secured Party. At any time after Secured Party or Debtor gives such notice to an account debtor or other obligor, Secured Party may (but need not) in its own name or in Debtor's name, demand, sue for, collect or receive any money or property at any time payable or receivable on account of, or securing, any such chattel paper, account, or other right to payment, or grant any extension to, make any compromise or settlement with or otherwise agree to waive, modify, amend or change the obligations (including collateral obligations) of any such account debtor or other obligor.

6. Assignment of Insurance. Debtor hereby assigns to Secured Party, as additional security for the payment of the Obligations, any and all moneys (including but not limited to proceeds of insurance and refunds of unearned premiums) due or to become due under and all other rights of Debtor under or with respect to, any and all policies of insurance covering the Collateral, and Debtor hereby directs the issuer of any such policy to pay any such moneys directly to Secured Party. Both before and after the occurrence of an Event of Default, Secured Party may (but need not), in its own name or in Debtor's name, execute and deliver proofs of claim, receive all such

moneys, endorse checks and other instruments representing payment of such moneys, and adjust, litigate, compromise or release any claim against the issuer of such policy.

7. Events of Default. For this Section 7, use of the defined term "Debtor" shall also include all entities that are in any way related to Debtor through common ownership or otherwise and any individuals or entities for which Debtor is guaranteeing payment and performance under any agreement with Secured Party. Each of the following occurrences shall constitute an event of default under this Agreement (herein called "Event of Default"):

- (i) Debtor shall fail to pay any or all of the Obligations when due or (if payable on demand) on demand, shall fail to observe or perform any covenant or agreement herein binding on it or shall be in default under any loan, guarantee, lease, credit, or franchise agreement between it and Secured Party;
- (ii) any representations or warranties by Debtor set forth in this Agreement or made to Secured Party in any financial statements or reports submitted to Secured Party by or on behalf of Debtor shall prove materially false or misleading;
- (iii) a garnishment, summons or writ of attachment shall be issued against or served upon the Secured Party for the attachment of any property of the Debtor or any indebtedness owing to Debtor;
- (iv) Debtor or any guarantor of any Obligation shall (A) be or become insolvent (however defined); or (B) voluntarily file, or have filed against it involuntarily, a petition under the United States Bankruptcy Code; or (C) if a corporation, partnership, or organization, be dissolved or liquidated or, if a partnership, suffer the death of a partner or, in an individual, die; or (D) go out of business; or (v) Secured Party shall in good faith believe that the prospect of due and punctual payment of any or all of the Obligations is impaired.

An Event of Default under any Lease between Debtor and the Secured Party shall be an Event of Default hereunder.

8. Remedies upon Event of Default. Upon the occurrence of an Event of Default and at any time thereafter, Secured Party may exercise any one or more of the following rights and remedies:

- (i) declare all unmatured obligations to be immediately due and payable, and the same shall thereupon be immediately due and payable, without presentment of other notice or demand;
- (ii) exercise and enforce any or all rights and remedies available upon default to a secured party under the Uniform Commercial Code, including but not limited to the right to take possession of any Collateral, proceeding without judicial process or by judicial process (without a prior hearing or notice thereof, which Debtor hereby expressly waives), and the right to sell, lease or otherwise dispose of any or all of the Collateral, and in connection therewith, Secured Party may require Debtor to make the Collateral available to Secured Party at a place to be designated by Secured Party, and if notice to Debtor of any intended disposition of Collateral or any other intended action is required by law in a particular instance, such notice shall be deemed commercially reasonable if given (in the manner specified in Section 10) at least five (5) calendar days prior to the date of intended disposition or other action;
- (iii) exercise or enforce any or all other rights or remedies available to Secured Party by law or agreement against the Collateral, against the Debtor, or against any other person or property.

Upon the occurrence of the Event of Default described in Section 7(iv)(B), all Obligations shall be immediately due and payable without demand or notice thereof. Secured Party is hereby granted a nonexclusive, worldwide and royalty-free license to use or otherwise exploit all trademarks, service marks, trade names, trade secrets, franchises, copyrights and patents of Debtor that Secured Party deems necessary or appropriate to the disposition of any Collateral.

9. Other Personal Property. Unless at the time Secured Party takes possession of any tangible Collateral, or within five (5) calendar days thereafter, Debtor gives written notice to Secured Party of the existence of any goods, papers or other property of Debtor, not affixed to or constituting a part of such Collateral, but which are located or found upon or within such Collateral, describing such property, Secured Party shall not be responsible or liable to Debtor for any action taken or omitted by or on behalf of Secured Party with respect to such property without actual knowledge of the existence of any such property or without actual knowledge that it was located or to be found upon or within such Collateral.

10. Miscellaneous. This Agreement does not contemplate a sale of accounts, or chattel paper. This Agreement can be waived, modified, amended, terminated or discharged and the Security Interest can be released, only explicitly in a writing signed by Secured Party. A waiver signed by Secured Party shall be effective only in a specific instance and for the specific purpose given. Mere delay or failure to act shall not preclude the exercise or enforcement of any of Secured Party's rights or remedies. All rights and remedies of Secured Party shall be cumulative and may be exercised singularly or concurrently, at Secured Party's option, and the exercise or enforcement of any one such option, and the exercise or enforcement of any one such right or remedy shall neither be a condition to nor bar the exercise or enforcement of any other. All notices that are required to be given to Debtor in writing (if any) shall be deemed sufficiently given if hand delivered, delivered by overnight carrier, or mailed by registered or certified mail to Debtor at its address set forth above or at the most recent address shown on Secured Party's records. Secured Party's duty of care with respect to Collateral in its possession (as imposed by law) shall be deemed fulfilled if Secured Party exercises reasonable care in physically safekeeping such Collateral or, in the case of Collateral in the custody or possession of a bailee or other third person, exercises reasonable care in the selection of the bailee or other third person, and Secured Party need not otherwise preserve, protect, insure or care for any Collateral. Secured Party shall not be obligated to preserve any rights

Debtor may have against prior parties, to realize on the Collateral at all or in any particular manner or order, or to apply any cash proceeds of the Collateral in any particular order of application. This Agreement shall be binding upon and inure to the benefit of Debtor and Secured Party and their respective heirs, representatives, successors and assigns and shall take effect when signed by Debtor and delivered to Secured Party, and Debtor waives notice of Secured Party's acceptance hereof. Secured Party may execute this Agreement if appropriate for the purpose of filing, but the failure of Secured Party to execute this Agreement shall not affect or impair the validity or effectiveness of this Agreement. A copy of this Agreement or of any financing statement signed by the Debtor shall have the same force and effect as the original for all purposes of a financing statement. This Agreement shall be governed by the internal laws of the State of Minnesota. If any provision or application of this Agreement is held unlawful or unenforceable in any respect, such illegality or unenforceability shall not affect other provisions or applications which can be given effect and this Agreement shall be construed as if the unlawful or unenforceable provision or application had never been contained herein or prescribed hereby. All representations and warranties contained in this Agreement shall survive the execution, delivery and performance of this Agreement and the creation and payment of the Obligations. The Debtor hereby irrevocably submits to the jurisdiction of the Minnesota District Court, Fourth Division, and the Federal District Court, District of Minnesota, Fourth Division, over any action or proceeding arising out of or relating to this Agreement and agrees that all claims in respect of such action or proceeding may be heard and determined in any such court. If this Agreement is signed by more than one person as Debtor, the term "Debtor" shall refer to each of them separately and to both or all of them jointly; all such persons shall be bound both jointly and severally with the other(s); and the Obligations shall include all debts, liabilities and obligations owed to Secured Party by any Debtor solely or by both or several or all Debtors jointly or jointly and severally, and all property described in Section 1 shall be included as part of the Collateral, whether is owned jointly by both or all Debtors or is owned in whole or in part by one (or more) of them.

**[SIGNATURE PAGES FOLLOW.]**

SECURED PARTY:

Snap Fitness Finance, LLC

_____ Signature		
_____ Peter Taunton, President Print Name & Title		
_____ 2411 Galpin Court, Suite 110 Address		
_____ Chanhassen City	_____ MN State	_____ 55317 Zip Code
_____ 952-474-5422 Telephone		

DEBTOR(S):

_____ _____ Individual's name (if signing individually)/ Company name (if signing on behalf of a company)		
_____ Signature (signing individually and for each entity)		
_____ Print Name & Title		
_____ Address		
_____ City	_____ State	_____ Zip Code
_____ Telephone		

## ASSIGNMENT OF FRANCHISE AGREEMENT AND FRANCHISOR'S CONSENT

THIS ASSIGNMENT OF FRANCHISE AGREEMENT AND FRANCHISOR'S CONSENT, made as of \_\_\_\_\_ (the "Assignment"), by [list all of the Franchisees that will be listed below] \_\_\_\_\_, an [Individual, corporation, LLC], (individually and collectively the "Assignor"), to Snap Fitness Finance, LLC, a Nevada limited liability company.

WITNESSETH:

WHEREAS, the Assignee and \_\_\_\_\_ ("Lessee") have agreed that the Assignee shall lease to Lessee equipment pursuant to a Master Lease Agreement between them dated as of the date hereof (the "Agreement");

WHEREAS, to secure prompt payment when due of all amounts and performance of all covenants, obligations, terms and conditions to be paid, kept and performed by Lessee under the Agreement and all Leases (as defined in the Master Lease Agreement) currently or subsequently entered into thereunder between Snap Fitness Finance, LLC, including any of its affiliates, subsidiaries, successors and assigns (the "Assignee"), and Lessee (the Master Lease Agreement and all Leases, Schedules and attachments thereto (all as defined in the Master Lease Agreement) individually and collectively referred to as the "Lease"), the Assignor has granted the Assignee a security interest in certain assets of the Assignor pursuant to a security agreement, dated as of the date hereof (the "Security Agreement"); and

WHEREAS, the Assignee has required, as a condition of its entering into the Lease and pursuant to the Lease, that the Assignor further secure the Lease and Lessee's obligations thereunder by this Assignment and that the Franchisor consent to this Assignment;

NOW, THEREFORE, in consideration of the foregoing and other good and valuable consideration which is hereby acknowledged, the Assignor does hereby make this Assignment to the Assignee and the Franchisor does hereby consent to such Assignment as follows:

The Assignor does hereby sell, assign, transfer and set over unto the Assignee all of the Assignor's right, title and interest in and to the franchise agreement(s) listed below: (collectively and individually the "Franchise Agreement")

No. \_\_\_\_ dated \_\_\_\_\_, between \_\_\_\_\_,  
as franchisee, and Snap Fitness, Inc., as franchisor;

No. \_\_\_\_ dated \_\_\_\_\_, between \_\_\_\_\_,  
as franchisee, and Snap Fitness, Inc., as franchisor;

No. \_\_\_\_ dated \_\_\_\_\_, between \_\_\_\_\_,  
as franchisee, and Snap Fitness, Inc., as franchisor;

No. \_\_\_\_ dated \_\_\_\_\_, between \_\_\_\_\_,  
as franchisee, and Snap Fitness, Inc., as franchisor;

(all of the above franchisors individually and collectively the "Franchisor").

The Assignor warrants and covenants that it has good right to sell, transfer and assign the Franchise Agreement.

The Assignee, and the Franchisor by executing the consent to this Assignment, agree that the Assignee does not assume any of the obligations or duties of the Assignor under or with respect to the Franchise Agreement unless and until the Assignee shall have given to the Franchisor written notice that it has affirmatively exercised its rights under this Assignment after the occurrence of a default by Lessee under the Lease. The Assignee may reassign its right, title and interest in the Franchise Agreement to any persons or entities in the Assignee's discretion upon notice to the Assignor and the Franchisor but without any further requirement for the Assignor's or the Franchisor's consent, and any such reassignment shall be valid and binding upon the Assignor and the Franchisor as fully as if each had expressly approved the same.

The Assignor represents and warrants that there have been no prior assignments of the Franchise Agreement, that the Franchise Agreement is a valid and enforceable agreement, that neither party is in default to the

other thereunder and that all covenants, conditions and agreements have been performed as required therein, except those not due to be performed until after the date hereof. No change in the terms of the Franchise Agreement shall be valid without the written approval of Assignee. The Assignor agrees not to assign, sell, pledge or otherwise transfer or encumber its interest in the Franchise Agreement so long as this Assignment is in effect.

The Assignor hereby irrevocably constitutes and appoints the Assignee as its attorney-in-fact to demand, receive, and enforce the Assignor's rights with respect to the Franchise Agreement, to make payments under the Franchise Agreement and give appropriate receipts, releases and satisfactions for and on behalf of and in the name of the Assignor or, at the option of Assignee, in the name of the Assignee, with the same force and effect as the Assignor could do if this Assignment had not been made.

This Assignment is for security purposes only. Accordingly, the Assignee shall have no right under this Assignment to enforce the provisions of the Franchise Agreement until the Lessee shall be in default under its obligations to the Assignee under the Lease, Security Agreement, Guarantee or any instrument, document or agreement related thereto. Upon the occurrence of any such default, the Assignee may, without affecting any of its rights or remedies against the Assignor under any other instrument, document or agreement, exercise its rights under this Assignment as the Assignor's attorney-in-fact or in any other manner permitted by law and, in addition, the Assignee shall have and possess, without limitation, any and all rights and remedies of a secured party under the Uniform Commercial Code, as enacted in the jurisdiction where enforcement is sought, or otherwise provided by law.

The Assignor hereby agrees to indemnify and hold the Assignee harmless from and against any and all claims, demands, liabilities, losses, lawsuits, judgments, and costs and expenses (including without limitation, attorneys' fees) to which the Assignee may become exposed, or which the Assignee may incur, in exercising any of its rights under this Assignment.

Subject to the aforesaid limitation on further assignment by the Assignor, this Assignment shall be binding upon and inure to the benefit of the heirs, legal representatives, assigns, and successors in interest of the Assignor, the Assignee and the Franchisor.

IN WITNESS WHEREOF, the Assignor has executed this Assignment of Franchise Agreement on the day and year first above written.

ASSIGNOR:

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

\_\_\_\_\_  
Print Name & Title

\_\_\_\_\_  
Address

\_\_\_\_\_  
City State Zip Code

\_\_\_\_\_  
Telephone

STATE OF \_\_\_\_\_)

) SS.

COUNTY OF \_\_\_\_\_)

On this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, before me appeared \_\_\_\_\_, the individual that executed the forgoing instrument, and (s)he acknowledged the execution of the forgoing instrument to be the voluntary act of such individual.

(Notarial Seal)

Notary Public

## CONSENT

The Franchisor hereby consents to the above Assignment and each and every term thereof, and as an inducement to the Assignee to make, and in consideration of the Assignee entering into the Lease with the Lessee, agrees with the Assignee as follows:

1. In the event of default by the Lessee under the Lease or any instrument, document or agreement relating thereto, the Franchisor, at the Assignee's request, will continue performance on behalf of the Assignee or the Assignee's designee under the Franchise Agreement in accordance with the terms thereof, provided that the Assignee or the Assignee's designee shall perform the Assignor's obligations under the Franchise Agreement.
2. The Assignee or its designee may enforce the obligations of the Franchise Agreement with the same force and effect as if the Franchise Agreement was enforced by the Assignor, and may perform the obligations of the Assignor, and the Franchisor will accept such performance in lieu of performance by the Assignor in satisfaction of the Assignor's obligations thereunder.
3. The Franchisor will not terminate the Franchise Agreement on account of any default of the Assignor thereunder without written notice to the Assignee and first providing to the Assignee a reasonable opportunity, but not less than thirty (30) days, to effect a cure of the default or to declare the Assignor in default under the Lease and exercise its rights under this Assignment. In the event the Assignee so elects to exercise its rights under this Assignment, the Franchisor agrees not to terminate the Franchise Agreement so long as the defaults of the Assignor thereunder are cured by the Assignee or its designee within thirty (30) days from the date the Assignee gives written notice to the Franchisor of its election to exercise its rights under this Assignment. However, nothing herein shall require the Assignee to cure any default of the Assignor under the Franchise Agreement, but only gives it the option to do so.
4. The Franchisor hereby represents and warrants to the Assignee that (i) the Franchise Agreement is a valid and enforceable agreement, (ii) there has been no prior assignment of the Franchise Agreement of which the Franchisor has notice or is aware, (iii) neither the Franchisor nor the Assignor is in default under the Franchise Agreement, and (iv) all covenants, conditions and agreements have been performed as required therein except those not due to be performed until after the date hereof.

FRANCHISOR: SNAP FITNESS, INC.

Dated: \_\_\_\_\_

By \_\_\_\_\_

Signature

Peter Taunton, President

Print Name & Title

2411 Galpin Court, Suite 110

Address

Chanhassen, MN 55317

City State Zip Code

952-474-5422

Telephone



## ASSIGNMENT OF PREMISES LEASE

THIS ASSIGNMENT OF PREMISES LEASE, made as of \_\_\_\_\_ (the "Assignment"), by [list all of the lessees that will be listed below] \_\_\_\_\_, an [Individual, corporation, LLC] (individually and collectively the "Assignor"), to Snap Fitness Finance, LLC, a Nevada limited liability company.

### WITNESSETH:

WHEREAS, the Creditor and \_\_\_\_\_ ("Lessee") have agreed that the Creditor shall lease to Lessee equipment pursuant to a Master Lease Agreement between them dated as of the date hereof (the "Master Lease Agreement");

WHEREAS, to secure prompt payment when due of all amounts and performance of all covenants, obligations, terms and conditions to be paid, kept and performed by Lessee under the Master Lease Agreement and all Leases (as defined in the Master Lease Agreement) currently or subsequently entered into thereunder between Snap Fitness Finance, LLC, including any of its affiliates, subsidiaries, successors and assigns (the "Creditor"), and Lessee (the Master Lease Agreement and all Leases, Schedules and attachments thereto (all as defined in the Master Lease Agreement) individually and collectively referred to as the "Equipment Lease"), the Assignor has granted the Creditor a security interest in certain assets of the Assignor pursuant to a security agreement, dated as of the date hereof (the "Security Agreement"); and

WHEREAS, the Creditor has required, as a condition of its entering into the Equipment Lease and pursuant to the Equipment Lease, that the Assignor further secure the Equipment Lease and Lessee's obligations thereunder by this Assignment;

NOW, THEREFORE, in consideration of the foregoing and other good and valuable consideration which is hereby acknowledged, the Assignor does hereby make this Assignment to the Creditor as follows:

The Assignor does hereby sell, assign, transfer and set over unto the Creditor all of the Assignor's right, title and interest in and to the premises leases listed below (individually and collectively the "Premises Lease"):

dated \_\_\_\_\_, made by the Assignor, as tenant, and \_\_\_\_\_ as landlord;

dated \_\_\_\_\_, made by the Assignor, as tenant, and \_\_\_\_\_ as landlord; and

dated \_\_\_\_\_, made by the Assignor, as tenant, and \_\_\_\_\_ as landlord

(all of the above landlords individually and collectively the "Landlord").

The Assignor warrants and covenants that it has good right to sell, transfer and assign the Premises Lease.

The Creditor does not assume any of the obligations or duties of the Assignor under or with respect to the Premises Lease unless and until the Creditor shall have given to the Landlord written notice that it has affirmatively exercised its rights under this Assignment after the occurrence of a default by Lessee under the Equipment Lease. Upon giving such notice, Creditor may, at Creditor's sole discretion, assume the Premises Lease as is, or may negotiate with the Landlord terms more favorable to Creditor. In the event of such assignment, Creditor shall assume no liability for monies owed or other liabilities relating to the Premises Lease that have accrued prior to the effective date of the notice provided by Creditor. The Creditor may reassign its right, title and interest in the Premises Lease to any persons or entities in the Creditor's discretion upon notice to the Assignor and the Landlord but without any further requirement for the Assignor's consent, and any such reassignment shall be valid and binding upon the Assignor as fully as if it had expressly approved the same.

The Assignor represents and warrants that there have been no prior assignments of the Premises Lease, that the Premises Lease is a valid and enforceable agreement, that neither party is in default to the other thereunder and that all covenants, conditions and agreements have been performed as required therein, except those not due to be performed until after the date hereof. No change in the terms of the Premises Lease shall be valid without the written approval of Creditor. The Assignor agrees not to assign, sell, pledge or otherwise transfer or encumber its interest in

the Premises Lease so long as this Assignment is in effect.

The Assignor hereby irrevocably constitutes and appoints the Creditor as its attorney-in-fact to demand, receive, and enforce the Assignor's rights with respect to the Premises Lease, to renegotiate the Premises Lease, to make payments under the Premises Lease and give appropriate receipts, releases and satisfactions for and on behalf of and in the name of the Assignor or, at the option of Creditor, in the name of the Creditor, with the same force and effect as the Assignor could do if this Assignment had not been made.

This Assignment is for security purposes only. Accordingly, the Creditor shall have no right under this Assignment to enforce the provisions of the Premises Lease until the Lessee shall be in default under its obligations to the Creditor under the Equipment Lease, Security Agreement, Guarantee or any instrument, document or agreement related thereto. Upon the occurrence of any such default, the Creditor may, without affecting any of its rights or remedies against the Assignor under any other instrument, document or agreement, exercise its rights under this Assignment as the Assignor's attorney-in-fact or in any other manner permitted by law and, in addition, the Creditor shall have and possess, without limitation, any and all rights and remedies of a secured party under the Uniform Commercial Code, as enacted in the jurisdiction where enforcement is sought, or otherwise provided by law.

The Assignor hereby agrees to indemnify and hold the Creditor harmless from and against any and all claims, demands, liabilities, losses, lawsuits, judgments, and costs and expenses (including without limitation, attorneys' fees) to which the Creditor may become exposed, or which the Creditor may incur, in exercising any of its rights under this Assignment.

Subject to the aforesaid limitation on further assignment by the Assignor, this Assignment shall be binding upon and inure to the benefit of the heirs, legal representatives, assigns, and successors in interest of the Assignor and the Creditor.

IN WITNESS WHEREOF, the Assignor has executed this Assignment of Premises Lease on the day and year first above written.

ASSIGNOR(S):

---

Individual's name (if signing individually)/  
Company name (if signing on behalf of a company)

---

Signature (signing for each entity)

---

Print Name & Title

---

Address

---

City State Zip Code

---

Telephone

STATE OF \_\_\_\_\_)

) SS.

COUNTY OF \_\_\_\_\_)

On this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, before me appeared \_\_\_\_\_, the \_\_\_\_\_, of \_\_\_\_\_, the LLCs, that executed the forgoing instrument, and he acknowledged the execution of the forgoing instrument to be the voluntary act of such entities/individual.

(Notarial Seal)

Notary Public

## ASSIGNMENT OF TELEPHONE NUMBERS AND UTILITIES

THIS ASSIGNMENT OF TELEPHONE NUMBERS AND UTILITIES, made as of \_\_\_\_\_ (the "Assignment"), by [list all of the entities that are signing an Assignment of Franchise Agreement]\_\_\_\_\_, an [Individual, corporation, LLC], (individually and collectively the "Assignor"), to Snap Fitness Finance, LLC, a Nevada limited liability company.

WITNESSETH:

WHEREAS, the Lessor and \_\_\_\_\_ ("Lessee") have agreed that the Lessor shall lease to the Lessee equipment pursuant to a Master Lease Agreement between them dated as of the date hereof (the "Agreement");

WHEREAS, to secure prompt payment when due of all amounts and performance of all covenants, obligations, terms and conditions to be paid, kept and performed by Lessee under the Agreement and all Leases (as defined in the Master Lease Agreement) currently or subsequently entered into thereunder between Snap Fitness Finance, LLC, including any of its affiliates, subsidiaries, successors and assigns (the "Lessor"), and Lessee (the Master Lease Agreement and all Leases, Schedules and attachments thereto (all as defined in the Master Lease Agreement) individually and collectively referred to as the "Lease"), the Assignor has granted the Lessor a security interest in certain assets of the Assignor pursuant to a security agreement, dated as of the date hereof (the "Security Agreement"); and

WHEREAS, the Lessor has required, as a condition of its entering into the Lease and pursuant to the Lease, that the Assignor further secure the Lease and Lessee's obligations thereunder by this Assignment;

NOW, THEREFORE, in consideration of the foregoing and other good and valuable consideration which is hereby acknowledged, the Assignor does hereby make this Assignment to the Lessor as follows:

The Assignor does hereby sell, assign, transfer and set over unto the Lessor all of the Assignor's right, title and interest in and to all telephone numbers, telephone listings, telephone directory advertisements, and utilities used in connection with the operation of any and all of Assignor's Snap Fitness franchises and locations (collectively and individually referred to as the "Assigned Items").

The Assignor warrants and covenants that it has good right to sell, transfer and assign the Assigned Items.

This Assignment is not effective unless and until the Lessor has given to the telephone company, utility or other required authority written notice that it has affirmatively exercised its rights under this Assignment after the occurrence of a default by Lessee under the Lease. In the event of such assignment, Lessor shall assume no liability for monies owed or other liabilities relating to the Assigned Items that have accrued prior to the effective date of the Assignment. The Lessor may reassign its right, title and interest in the Assigned Items to any persons or entities in the Lessor's discretion upon notice to the Assignor but without any further requirement for the Assignor's consent, and any such reassignment shall be valid and binding upon the Assignor as fully as if each had expressly approved the same.

The Assignor represents and warrants that there have been no prior assignments of the Assigned Items, that it has a valid and enforceable agreement with the owners and licensors of the Assigned Items, that neither party under such agreements is in default to the other thereunder and that all covenants, conditions and agreements have been performed as required therein, except those not due to be performed until after the date hereof. No change in the terms of such agreements shall be valid without the written approval of Lessor. The Assignor agrees not to assign, sell, pledge or otherwise transfer or encumber its interest in the Assigned Items so long as this Assignment is in effect.

The Assignor hereby irrevocably constitutes and appoints the Lessor as its attorney-in-fact to demand, receive, and enforce the Assignor's rights with respect to the Assigned Items, to make payments under the agreements related thereto and give appropriate receipts, releases and satisfactions for and on behalf of and in the name of the Assignor or, at the option of Lessor, in the name of the Lessor, with the same force and effect as the Assignor could do if this Assignment had not been made.

This Assignment is for security purposes only. Accordingly, the Lessor shall have no right under this Assignment to enforce the provisions of the agreements related to the Assigned Items until the Lessee shall be in default under its obligations to the Lessor under the Lease, Security Agreement or any instrument, document or agreement related thereto. Upon the occurrence of any such default, the Lessor may, without affecting any of its rights or remedies against the Assignor under any other instrument, document or agreement, exercise its rights under this Assignment as the Assignor's attorney-in-fact or in any other manner permitted by law and, in addition, the Lessor

shall have and possess, without limitation, any and all rights and remedies of a secured party under the Uniform Commercial Code, as enacted in the jurisdiction where enforcement is sought, or otherwise provided by law.

The Assignor hereby agrees to indemnify and hold the Lessor harmless from and against any and all claims, demands, liabilities, losses, lawsuits, judgments, and costs and expenses (including without limitation, attorneys' fees) to which the Lessor may become exposed, or which the Lessor may incur, in exercising any of its rights under this Assignment.

Subject to the aforesaid limitation on further assignment by the Assignor, this Assignment shall be binding upon and inure to the benefit of the heirs, legal representatives, assigns, and successors in interest of the Assignor and the Lessor.

IN WITNESS WHEREOF, the Assignor has executed this Assignment of Telephone Numbers and Utilities on the day and year first above written.

ASSIGNOR:

---

---

Individual's name (if signing individually)/  
Company name (if signing on behalf of a company)

---

Signature (signing for each entity)

---

Print Name & Title

---

Address

---

City

State

Zip Code

---

Telephone

STATE OF \_\_\_\_\_)  
 \_\_\_\_\_) ss.  
 COUNTY OF \_\_\_\_\_)

On this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, before me appeared \_\_\_\_\_, the \_\_\_\_\_, of \_\_\_\_\_, LLC, the LLCs, that executed the forgoing instrument, and he acknowledged the execution of the forgoing instrument to be the voluntary act of such entity/individual.

(Notarial Seal)

Notary Public

## ASSIGNMENT OF MEMBERSHIP CONTRACTS

THIS ASSIGNMENT OF MEMBERSHIP CONTRACTS, made as of May 1, 2009 (the "Assignment"), by [list all of the entities that will be signing an Assignment of Franchise Agreement]\_\_\_\_\_, an [Individual, corporation, LLC] (individually and collectively the "Assignor"), to Snap Fitness Finance, LLC, a Nevada limited liability company.

### WITNESSETH:

WHEREAS, the Lessor and \_\_\_\_\_ ("Lessee") have agreed that the Lessor shall lease to the Lessee equipment pursuant to a Master Lease Agreement between them dated as of the date hereof (the "Agreement");

WHEREAS, to secure prompt payment when due of all amounts and performance of all covenants, obligations, terms and conditions to be paid, kept and performed by Lessee under the Agreement and all Leases (as defined in the Master Lease Agreement) currently or subsequently entered into thereunder between Snap Fitness Finance, LLC, including any of its affiliates, subsidiaries, successors and assigns (the "Lessor"), and Lessee (the Master Lease Agreement and all Leases, Schedules and attachments thereto (all as defined in the Master Lease Agreement) individually and collectively referred to as the "Lease"), the Assignor has granted the Lessor a security interest in certain assets of the Assignor pursuant to a security agreement, dated as of the date hereof (the "Security Agreement"); and

WHEREAS, the Lessor has required, as a condition of its entering into the Lease and pursuant to the Lease, that the Assignor further secure the Lease and Lessee's obligations thereunder by this Assignment;

NOW, THEREFORE, in consideration of the foregoing and other good and valuable consideration which is hereby acknowledged, the Assignor does hereby make this Assignment to the Lessor as follows:

The Assignor does hereby sell, assign, transfer and set over unto the Lessor all of the Assignor's right, title and interest in and to all membership agreements related in any way to any of Assignor's Snap Fitness franchises and locations (the "Membership Contracts").

The Assignor warrants and covenants that it has good right to sell, transfer and assign the Membership Contracts.

This Assignment is not effective unless and until the Lessor has given to the relevant member written notice that it has affirmatively exercised its rights under this Assignment after the occurrence of a default by Lessee under the Lease. In the event of such assignment, Lessor shall assume no liability for monies owed or other liabilities relating to the Membership Contracts that have accrued prior to the effective date of the Assignment. The Lessor may reassign its right, title and interest in the Membership Contracts to any persons or entities in the Lessor's discretion upon notice to the Assignor but without any further requirement for the Assignor's consent, and any such reassignment shall be valid and binding upon the Assignor as fully as if each had expressly approved the same.

The Assignor represents and warrants that there have been no prior assignments of the Membership Contracts, that it has a valid and enforceable agreement with the members, that neither party under such agreements is in default to the other thereunder and that all covenants, conditions and agreements have been performed as required therein, except those not due to be performed until after the date hereof. No change in the terms of such agreements shall be valid without the written approval of Lessor. The Assignor agrees not to assign, sell, pledge or otherwise transfer or encumber its interest in the Member Contracts so long as this Assignment is in effect.

The Assignor hereby irrevocably constitutes and appoints the Lessor as its attorney-in-fact to demand, receive, and enforce the Assignor's rights with respect to the Member Contracts, to make payments under the Member Contracts and give appropriate receipts, releases and satisfactions for and on behalf of and in the name of the Assignor or, at the option of Lessor, in the name of the Lessor, with the same force and effect as the Assignor could do if this Assignment had not been made.

This Assignment is for security purposes only. Accordingly, the Lessor shall have no right under this Assignment to enforce the provisions of the Membership Contracts until the Lessee shall be in default under its obligations to the Lessor under the Lease, Security Agreement or any instrument, document or agreement related thereto. Upon the occurrence of any such default, the Lessor may, without affecting any of its rights or remedies against the Assignor under any other instrument, document or agreement, exercise its rights under this Assignment as the Assignor's attorney-in-fact or in any other manner permitted by law and, in addition, the Lessor shall have and possess, without limitation, any and all rights and remedies of a secured party under the Uniform Commercial Code, as enacted in the jurisdiction where enforcement is sought, or otherwise provided by law.

The Assignor hereby agrees to indemnify and hold the Lessor harmless from and against any and all claims, demands, liabilities, losses, lawsuits, judgments, and costs and expenses (including without limitation, attorneys' fees) to which the Lessor may become exposed, or which the Lessor may incur, in exercising any of its rights under this Assignment.

Subject to the aforesaid limitation on further assignment by the Assignor, this Assignment shall be binding upon and inure to the benefit of the heirs, legal representatives, assigns, and successors in interest of the Assignor and the Lessor.

IN WITNESS WHEREOF, the Assignor has executed this Assignment of Membership Contracts on the day and year first above written.

ASSIGNOR:

---

---

Individual's name (if signing individually)/  
Company name (if signing on behalf of a company)

---

Signature (signing for each entity)

---

Print Name & Title

---

Address

---

City State Zip Code

---

Telephone



STATE OF \_\_\_\_\_)  
 \_\_\_\_\_) ss.  
 COUNTY OF \_\_\_\_\_)

On this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, before me appeared \_\_\_\_\_, the \_\_\_\_\_, of \_\_\_\_\_, the LLCs, that executed the forgoing instrument, and he acknowledged the execution of the forgoing instrument to be the voluntary act of such entity/individual.

(Notarial Seal)

Notary Public

**EQUIPMENT SCHEDULE No. 1 TO**  
**MASTER LEASE AGREEMENT Dated: \_\_\_\_\_**

<b>Lessor:</b> Snap Fitness Finance, LLC 2411 Galpin Court, Suite 110 Chanhassen, MN 55317	<b>Lessee:</b>	<b>Supplier:</b> <u>See attached</u> quotes, invoices, and/or bills of sale
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**Equipment Description:**

In addition to the above description, the Equipment is more fully described in the attached quotes, invoices, and/or bills of sale.

**Equipment Location:**

**Schedule of Payments:**

**Lease Commencement Date:**

**First Payment Date:**

Initial Term (In Months)	Total Number Of Payments	Amount of Each Periodic Rent Payment (\$)  \$ _____ (rent)  \$ _____ (tax)	Total Initial Payment: \$10,714.65		
			First: \$	Documentation Fee: \$500	Other Transaction Fees (if applicable)
			Last: \$	Deposit: \$	Tax on Deposit: \$

Purchase Option: \$1 Buy-out

(see *Terms and Conditions*, section 2, for description of Purchase Option)

Purchase Amount (if applicable): \$1.00

**TERMS AND CONDITIONS**

**1. Lease.** The undersigned Lessee ("**Lessee**") unconditionally and irrevocably agrees to lease from the above referenced Lessor ("**Lessor**") the Equipment described above, on the terms specified herein and in the Master Lease Agreement referred to above (as amended from time to time, the "**Agreement**"). The terms of the Agreement are hereby ratified and incorporated in this Schedule as if set forth herein in full, and shall remain in full force and effect and be fully enforceable throughout the Term of this Schedule (this Schedule, together with such incorporated terms of the Agreement, collectively, this "**Lease**"). Lessee hereby certifies that the Equipment described above has been delivered to, and accepted by, Lessee for all purposes under this Lease. Capitalized terms used and not otherwise defined in this Schedule have the respective meanings set forth in the Agreement.

**2. Purchase Obligation.** Lessee irrevocably and unconditionally agrees to purchase all (but not less than all) of the Equipment, "**AS IS**," "**WHERE IS**," without representation or warranty of any kind, from Lessor, for the Purchase Amount shown above (plus all applicable taxes) upon the expiration of the Initial Term of this Schedule.

**3. Miscellaneous.** The amount of each Periodic Rent payment set forth above is based on Supplier's best estimate of the Equipment cost, as initially configured herein. Prior to the commencement hereof, Rent may be increased up to 15%, or decreased without limit, if the actual cost of the Equipment differs from that assumed hereunder. This Lease is fully integrated and supersedes any and all prior oral or other written statements, agreements and understandings regarding the subject matter hereof. For purposes of perfection of a security interest in chattel paper by possession under the Uniform Commercial Code: (a) this is the sole original executed counterpart of this Schedule; (b) transfer/possession of no other purported counterpart of this Schedule shall effect such perfection; and (c) transfer/possession of an original counterpart of the Agreement shall not be necessary to effect such perfection. In the event this Lease is determined to be a security agreement, then as security for all now existing or hereafter arising obligations of Lessee under the Lease and all other obligations of Lessee to Lessor, Lessee hereby grants to Lessor a first priority security interest in all of Lessee's rights, title (if any) and interests in the Equipment and any additional collateral described herein, and all proceeds and products thereof, including, without limitation, all proceeds of insurance.

**LESSEE HAS READ AND UNDERSTANDS THE TERMS OF THIS SCHEDULE BEFORE SIGNING IT.**

**Lessee:**

**Signature:** \_\_\_\_\_ **Date:** \_\_\_\_\_

**Printed Name & Title:** \_\_\_\_\_

**Signature:** \_\_\_\_\_ **Date:** \_\_\_\_\_

**Printed Name & Title:** \_\_\_\_\_

**Attach equipment quotes, invoices and/or bills of sale here.**

## CORPORATE SECRETARY'S CERTIFICATE OF AUTHORITY

I do hereby certify that I am the duly elected or appointed and acting Secretary or Assistant Secretary of \_\_\_\_\_ that I have custody of the records of such entities, and that, as of the date hereof, the individuals named below are the duly elected or appointed officers of such entities holding the offices set forth opposite their respective names. I further certify such officers have the authority on behalf of such entities to enter into and execute from time to time, on behalf of such entities, leases, installment sale contracts, promissory notes, guarantees and security agreements, together with any and all related documents, in connection with equipment financing, any such documents in connection with such financing to be in such form and to contain such terms as the person signing the same shall approve, his/her approval to be conclusively evidenced by his/her signature thereto.

NAME

TITLE

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Dated: \_\_\_\_\_

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

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

Title: \_\_\_\_\_

## INSURANCE VERIFICATION

DATED: \_\_\_\_\_

Snap Fitness Finance, LLC  
2411 Galpin Drive, Suite 110  
Chanhassen, MN 55317

This is to confirm that the equipment leased under Master Lease Agreement dated \_\_\_\_\_ is or will be covered as required under the Lease (as defined under the Master Lease Agreement) for bodily injury, property damage and physical damage coverage, and other such risks as required by law. Coverage shall in all ways be as stated in the then current SAPP Coverage Summary (example attached) as updated from time to time. **Snap Fitness Finance, LLC, and/or its successors or assigns, is to be named as Additional Insured and Loss Payee on the property coverage. Thirty (30) days notice prior to CANCELLATION is to be given to Snap Fitness Finance, LLC. on all coverages.**

INSURANCE CO.: \_\_\_\_\_

POLICY NUMBER: \_\_\_\_\_

AGENCY NAME: \_\_\_\_\_

AGENT NAME: \_\_\_\_\_

ADDRESS: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

PHONE NUMBER: \_\_\_\_\_

Sincerely,

\_\_\_\_\_  
(Lessee's Name)

By: \_\_\_\_\_  
(Signature of Officer of Lessee)

Title: \_\_\_\_\_

## **UCC-1**

For most collateral, the UCC-1 must be filed in the debtor's state of incorporation. The form required for filing a UCC-1 is jurisdiction specific. Contact the Secretary of State of the debtor's state of incorporation for the most current form.

**EXHIBIT H-4**  
**Re-Snap Program Sample Agreement**



**EQUIPMENT FINANCE AGREEMENT**

Agreement Number

Federal tax ID#

This document was written in "Plain English". The words YOU and YOUR refer to the customer. The words WE, US and OUR refer to the financier.

**CUSTOMER INFORMATION**

FULL LEGAL NAME OF CUSTOMER

DBA

STREET ADDRESS

CITY

STATE

ZIP

PHONE

BILLING NAME (IF DIFFERENT FROM ABOVE)

BILLING STREET ADDRESS

CITY

STATE

ZIP

PHONE

EQUIPMENT LOCATON (IF DIFFERENT FROM ABOVE)

**SUPPLIER INFORMATION**

NAME OF SUPPLIER

STREET ADDRESS

CITY

STATE

ZIP

PHONE

**QUANTITY****ITEM DESCRIPTION****MODEL NO.****SERIAL****TERMS****DOWN PAYMENT**

Payment of

**ADVANCE PAYMENT**

Payments of

**REMAINING MONTHLY PAYMENTS**

Payments of

Term in months

(MOS.)

Commencement Date:

Payment Period is Monthly Unless  
Otherwise Indicated

**THIS IS A NONCANCELABLE/IRREVOCABLE AGREEMENT, THIS AGREEMENT CANNOT BE CANCELLED OR TERMINATED.**

**TERMS AND CONDITIONS**

(THIS AGREEMENT CONTAINS PROVISIONS SET FORTH ON THE REVERSE SIDE, ALL OF WHICH ARE MADE PART OF THIS AGREEMENT)

**SECURED PARTY**

DATED: \_\_\_\_\_

SECURED PARTY: Lease Servicing Center, Inc.

SIGNATURE: \_\_\_\_\_

TITLE: Secretary / Treasurer**CUSTOMER AGREEMENT**

DATED: \_\_\_\_\_

CUSTOMER: \_\_\_\_\_

SIGNATURE: X

Signature of

TITLE: \_\_\_\_\_

1. **FINANCE AGREEMENT:** Subject to the terms of this Equipment Finance Agreement signed by you and us, rather than pay cash price, you have chosen to request we finance for you the purchase price of personal property described under "ITEM DESCRIPTION" in this Agreement (such personal property and any upgrades, replacements, repairs and additions referred to as "Equipment") which you will use for business purposes only. You hereby grant to us a first priority, purchase money security interest in the Equipment and its proceeds to secure your obligations hereunder and under all other agreements with us, and you agree to all of the terms and conditions contained in this Agreement, which together are a complete statement of our agreement regarding the Equipment (this "Agreement"). This Agreement may be modified only by written agreement and not by course of performance. This Agreement becomes valid upon execution by us and will begin on the commencement date for the number of consecutive months shown above. You also agree to pay to us interim payments in the amount equal to 1/30<sup>th</sup> of the monthly payment multiplied by the number of days lapsing between the date on which the payment is made to supplier and the agreed upon first payment date. If any provision of this Agreement is declared unenforceable, the other provisions shall remain in full force and effect.
2. **PAYMENTS:** Payments will be paid monthly, each in the amount of the monthly payment shown above plus any applicable tax. You will pay the security deposit on the date you sign this Equipment Finance Agreement. Subsequent payments will be due the first day of each payment period shown beginning after the first payment period. We will have the right to apply all sums received from you to any amounts due and owed to us under the terms of this Agreement. In the event this Agreement is not fully repaid, the security deposit will be retained by us to compensate us for our documentation, processing and other expenses. If for any reason, your check is returned for nonpayment, a \$25.00 bad check charge will be assessed.
3. **NONCANCELLABLE.** This is a noncancellable agreement and may not be cancelled or prepaid by you for any reason whatsoever. You may prepay only in accordance herewith. In the event this Agreement is paid off prior to end of full term, you will pay us all amounts due plus all future payments discounted to a present value using 4% annual rate (in addition to all other accrued and unpaid charges including but not limited to fees and taxes.) You will make all payments whether or not you are satisfied with the Equipment and without deduction for any claim you may have against the supplier of the Equipment or against us.
4. **Warranty Disclaimer: WE MAKE NO WARRANTY, EXPRESS OR IMPLIED, OR THAT THE EQUIPMENT IS FIT FOR A PARTICULAR PURPOSE OR THAT THE EQUIPMENT IS MERCHANTABLE.** YOU AGREE THAT YOU HAVE SELECTED THE SUPPLIER AND EACH ITEM OF EQUIPMENT BASED UPON YOUR OWN JUDGMENT AND DISCLAIM ANY RELIANCE UPON ANY STATEMENTS OR REPRESENTATIONS MADE BY US. WE DO NOT TAKE RESPONSIBILITY FOR THE INSTALLATION OR PERFORMANCE OF THE EQUIPMENT. THE SUPPLIER IS NOT AN AGENT OF OURS AND NOTHING THE SUPPLIER STATES CAN AFFECT YOUR OBLIGATION UNDER THE AGREEMENT. YOU WILL CONTINUE TO MAKE ALL PAYMENTS UNDER THIS AGREEMENT REGARDLESS OF ANY CLAIM OR COMPLAINT AGAINST SUPPLIER. If Agreement includes financing for software licenses(s), then you agree that as to such software: (a) we have not had, do not have, nor shall have, any title to such software, but instead is only providing financing for the license. (b) You have executed or will execute a separate software license agreement and we are not a party to, nor have any responsibilities whatsoever, e.g., fees or other payments, in regard to such license agreement and supplier is solely responsible for all support, billing and collection of which may be done by us. (c) You have selected such software, (d) Your payment and other obligations under this Agreement shall in no way be diminished on account of or in any way related to the above said software license agreement and/or the supplier's obligations. **WE MAKE ABSOLUTELY NO WARRANTY OF ANY KIND IN REGARDS TO SUCH SOFTWARE AND HAVE ABSOLUTELY NO RESPONSIBILITY FOR THE FUNCTION OR PERFORMANCE OF SUCH SOFTWARE.**
5. **Location of Equipment/Inspection:** You are the owner of the Equipment and will keep the Equipment free and clear of all liens and encumbrances and use only at your address shown above and you agree not to move it unless we agree to it in advance. We may inspect the Equipment at any time during normal business hours.
6. **Loss or Damage:** You are the owner of the Equipment and are responsible for the risk of loss or for any destruction of or damage to the Equipment. No such loss or damage relieves you from the payment obligations under this Agreement. You agree to promptly notify us in writing of any loss or damage and you will then pay to us the present value of the total of all unpaid payments for the full term all discounted at four percent. Any proceeds of insurance will be paid to us and credited against the outstanding balance.
7. **COLLATERAL PROTECTION AND INSURANCE:** You agree to keep the equipment fully insured against loss with us as loss payee in an amount not less than the replacement cost until this Agreement is terminated. You also agree to obtain a general public liability insurance policy from anyone who is acceptable to us and to include us as an insured on the policy. You agree to provide us certificates or other evidence of insurance acceptable to us, before this Agreement begins or, should you wish us to waive this requirement we will bill you and you will pay a monthly property damage surcharge of up to .0035 of the original equipment cost related to our administrative costs, and credit risk and other costs and on which we may make a profit. As long as you are not in default at the time of the loss (excluding losses resulting from intentional acts), the remaining balance owed on the Agreement will be forgiven. You cannot be in default and benefit from this program. **NOTHING IN THIS PARAGRAPH WILL RELIEVE YOU OF YOUR RESPONSIBILITY FOR LIABILITY INSURANCE COVERAGE ON THIS EQUIPMENT.**
8. **Indemnity:** We are not responsible for any loss or injuries caused by the installation or use of the Equipment. You agree to hold us harmless and reimburse us for loss and to defend us against any claim for costs, losses or injury caused by the Equipment or its use or related to this Agreement. Your indemnity obligation includes any cost, expense or liability we incur, including court costs, attorney fees, interest and penalties.
9. **TAXES AND FEES:** You agree to pay when due all taxes (including personal property tax, fines and penalties) and fees relating to this Agreement or the Equipment. If we pay any of the above for you, you agree to reimburse us and to pay us a processing fee for each payment we make on your behalf. In addition, you also agree to pay us any filing fees prescribed by the Uniform Commercial Code or other law and reimburse us for all costs and expenses involved in documenting and servicing this transaction. You further agree to pay us an origination fee in an amount up to \$500 on the date the first payment due. You also acknowledge that in addition to the lease payments, we may assess and you may be required to pay additional taxes and/or fees. Such fees may not only cover our costs they may also include a profit.
10. **Assignment: YOU HAVE NO RIGHT TO SELL, TRANSFER, ASSIGN OR SUBLEASE THE EQUIPMENT OR THIS AGREEMENT. You understand that we, without prior notice, have the right to assign this Agreement to another financing source without your consent. You understand that the assignee will have the same rights and benefits but they do not have to perform any of our obligations. You agree that the rights of assignee will not be subject to any claims, defenses, or setoffs that you may have against us.**
11. **Default and Remedies:** If you do not pay any payment or other sum due to us or other party when due or if you break any of your promises in this Agreement or any other agreement with us, you will be in default. If any part of a payment is late, you agree to pay a late charge of 15% of the payment, which is late, or if less, the maximum charge allowed by law. If you are ever in default, we may retain your security deposit and at our option, we can terminate or cancel this Agreement and require that you (1) pay the unpaid balance of this Agreement, including accrued but unpaid payments, discounted to present value at four percent per annum and (2) unless you have paid the amount in (1), return the Equipment to us to a location designated by us. We may sell, lease or otherwise dispose of all or any part of the Equipment at public or private sale, with or without notice and may bid and purchase the Equipment or any of it at such sale. The proceeds of sale, lease or other disposition shall first be applied to all costs and expenses incurred in taking, removing, holding, repairing and selling or otherwise disposing of the Equipment, attorneys fees and court costs, and our other obligations hereunder (excluding repayments); then to pay all sums remaining unpaid hereunder, with any remaining surplus belonging to you. You will be obligated to pay any deficiency remaining after such application of proceeds. We may recover interest on any unpaid balance at the rate of 8% per annum. We may also use any of the remedies available to us under Article 9 of the Uniform Commercial Code as enacted in the State of Minnesota or any other law. If we refer this Agreement to an attorney for collection, you agree to pay our reasonable attorney's fees and actual court costs. If we have to take possession of the equipment, you agree to pay the cost of repossession. **YOU AGREE THAT WE WILL NOT**

12. UCC Filings: You authorize us to record a UCC-1 financing statement or similar instrument electronically or otherwise to show our interest in the Equipment. You agree to take any other action we request to protect our rights under this Agreement from time to time and that we may report a copy of this Agreement as a financing statement. You will provide any landlord or mortgage waiver we request to protect our interest in the Equipment. You authorize us to endorse your name to any notes, checks, or other instruments for the payment of money relating to the Equipment (including insurance).
13. Security Deposit: Each security deposit is non-interest bearing and is to secure your performance under this Agreement. Any security deposit made may be applied by us to satisfy any amount owed by you, in which event you will promptly restore the security deposit to its full amount as set forth above. We may commingle the security deposit with other funds.
14. Financial Statements: You agree to provide updated financial information (including financial statements conforming to generally accepted accounting principles and/or tax returns) promptly upon the Leasing Company's request.
15. Law and Jurisdiction: This Agreement will be deemed fully executed and performed in Minnesota or the home state of our assignee as it may be assigned from time to time per Paragraph 10. This Agreement shall be governed by and construed in accordance with the laws of Minnesota or the laws of the home state of assignee. You expressly and unconditionally consent to the jurisdiction and venue of any court in the State of Minnesota or assignee's home state and waive right to trial by jury for any claim or action arising out of or relating to this Agreement or the Equipment. Furthermore, you waive the defense of inconvenient forum. In no event will this Agreement be enforced in any way that permits us to collect excessive interest. If any interest payment hereunder exceeds the highest amount allowed by law, it shall be reduced to such rate and the excess interest refunded to you. In such event, you agree we will not be subject to any penalties provided by law for collecting or charging interest in excess of lawful rates.

Signature of \_\_\_\_\_

Title

## DELIVERY AND ACCEPTANCE CERTIFICATE

Equipment Finance Agreement #\_\_\_\_\_ between Lease Servicing Center, Inc., Secured Party,  
and \_\_\_\_\_, Customer.

You certify that all the equipment listed in said Equipment Finance Agreement has been furnished, that delivery and installation has been fully completed and satisfactory. Further, all conditions and terms of said Equipment Finance Agreement have been reviewed and acknowledged. Upon your signing below, your promises herein will be irrevocable and unconditional in all respects. You understand and agree that we have made payment for the equipment to the supplier, and you may contact the supplier for your warranty rights, if any, which we transfer to you for the term of this Agreement.

\_\_\_\_\_  
Delivery Date

\_\_\_\_\_  
Customer

**X**  
\_\_\_\_\_  
Signature of

\_\_\_\_\_  
Title

## PERSONAL GUARANTY

To induce Lease Servicing Center, Inc. ("Secured Party") to finance equipment to \_\_\_\_\_ ( the "Customer") pursuant to Agreement No. \_\_\_\_\_ or pursuant and all Supplements thereto (the "Agreement").

1. The undersigned hereby absolutely and unconditionally guarantees to Secured Party full and prompt payment and performance when due of each and every obligation of Customer under the Financing Agreement.
2. The undersigned hereby waives (i) notice of the acceptance hereof by Secured Party and of the creation and existence of the Agreement and (ii) any and all defenses otherwise available to a guarantor or accommodation party.
3. This Guaranty is absolute and unconditional, and the liability of the undersigned hereunder shall not be affected or impaired in any way by any of the following; each of which Secured Party may agree to without the consent of the undersigned: a) any extension or renewal of the Agreement whether or not for longer than the original period; b) any change in the terms of payment or other terms of the Agreement or any collateral therefore or any exchanged, release of, or failure to obtain any collateral therefore, c) any waiver or forbearance granted to Customer or any other person; and d) the application or failure to apply in any particular manner any payments or credits on the Agreement or any other obligation Customer may owe to Secured Party.
4. Secured Party shall not be required before exercising and enforcing its rights under the Guaranty first to resort for payment under the Agreement to Customer or to any other person or to any collateral. The undersigned agrees not to obtain reimbursement or payment from Customer or any other person obligated with respect to the Agreement or from any collateral for the Agreement until the obligations under the Agreement have been fully satisfied.
5. The undersigned shall be and remain liable for any deficiency following foreclosure of any mortgage or security interest securing the Agreement whether or not the liability of Customer under the Agreement is discharged by such foreclosure.
6. The undersigned shall be and remain liable for any deficiency following the initiation of bankruptcy or other insolvency actions affecting the Agreement or the Customer, whether or not the liability of the Customer is discharged in whole or in part by such action.
7. The undersigned agrees to pay all costs, expenses and attorneys' fees paid or incurred by Secured Party in endeavoring to enforce the Agreement and this Guaranty.
8. If any payment from the Customer or anyone else is applied to the Agreement and is thereafter set aside, recovered, rescinded, or required to be returned for any reason (including as a preference in the bankruptcy of Customer), the obligations under the Agreement to which such payment was applied shall for purposes of this Guaranty be deemed to have continued in existence notwithstanding such application, and this guaranty shall be enforceable as to such obligations as fully as if such applications had never been made.
9. If more than one person signs this Guaranty, then the liability of the undersigned hereunder shall be joint and several, and this Guaranty shall be enforceable in full against each of the undersigned.
10. This Guaranty shall be binding upon the estate, heirs, successors and assigns of the undersigned, and shall inure to the benefit of the successors and assigns of Secured Party.
11. By signing this Personal Guaranty, the undersigned authorizes Secured Party to obtain their Credit Bureau Reports for credit and collection purposes.

**CONSENT TO LAW, JURISDICTION AND VENUE.** The subject Agreement shall be deemed fully executed and performed in the state of owner's or its Assignee's principal place of business and shall be governed by and construed in accordance with the law thereof. If the owner or its Assignee shall bring any judicial proceeding in relation to any matter arising under the Agreement and/or this guaranty, the undersigned hereby irrevocably agrees that any such matter may be adjudged or determined in any court or courts in the state of the owner's or its Assignee's principal place of business, or any U.S. federal court sitting in the state of the owner's or its Assignee's principal place of business, or in any court or courts in customer's state of residence, or in any other court having jurisdiction over the customer or assets of the customer, all at the sole election of the owner. The undersigned hereby irrevocably submits generally and unconditionally to the jurisdiction of any such court so elected by owner or its Assignee in relation to such matters.

          X          

Date

\_\_\_\_\_  
Name of Guarantor

          X          

Signature of

\_\_\_\_\_  
Address

\_\_\_\_\_  
City / State / Zip Code

## EQUIPMENT SCHEDULE “A”

Agreement #

This Equipment Schedule “A” is to be attached to and become part of that Schedule of Financed Equipment dated \_\_\_\_\_ by and between the undersigned and, Lease Servicing Center, Inc., Secured Party.

Qty	Description	Model No.	Serial No.
-----	-------------	-----------	------------

This Equipment Schedule “A” is hereby verified as correct by the undersigned Customer, who acknowledges receipt of a copy. The undersigned gives Lease Servicing Center, Inc. authorization to insert Serial Numbers into Equipment Schedule “A” upon installation of all equipment and receipt of final invoices.

**Customer:** \_\_\_\_\_

**Signature:**   x    
Signature of

**Title:** \_\_\_\_\_

## Schedule “D”

**Agreement #:**

This Schedule “D” is to be attached to and become part of the Equipment Finance Agreement dated \_\_\_\_\_.

This Schedule “D” is a description of the Suppliers for this Equipment Finance Agreement.

Supplier Information:

This Schedule “D” is hereby verified as correct by the undersigned Customer, who acknowledges receipt of a copy.

\_\_\_\_\_  
Customer

**X**  
\_\_\_\_\_  
Signature of

\_\_\_\_\_  
Title

## RESOLUTION OF BOARD OF DIRECTORS

I, \_\_\_\_\_ Secretary of \_\_\_\_\_, a corporation, and keeper of its records and corporate seal, do hereby certify that the following is a true and correct copy of a resolution duly adopted at a regular special (strike one) meeting of the Board of Directors of said corporation duly convened in accordance with the by-laws, on \_\_\_\_\_.

RESOLVED: That the

Name	Title
------	-------

_____	_____
-------	-------

of this corporation, or any one of them, be and they are hereby authorized for and on behalf of this corporation, to finance equipment from Lease Servicing Center, Inc. or its assigns.

FURTHER RESOLVED: That the said officer(s), be and they are hereby authorized, from time to time, to execute and deliver to Lease Servicing Center, Inc. or its assigns, for and on behalf of this corporation, all the necessary instruments evidencing said Agreements, including notes, mortgages, assignments, and other income and assets, all upon such terms and conditions as to them shall seem proper.

FURTHER RESOLVED: That the foregoing resolution shall remain in effect until written notice of amendment or rescission shall have been received by Lease Servicing Center, Inc. or its assigns, and that receipt of such notice shall not affect any action taken prior thereto.

I, \_\_\_\_\_, do hereby certify that I am the duly elected and qualified secretary and custodian of the records and corporate seal of \_\_\_\_\_, a corporation organized and existing under and by the virtue of the laws of the state of \_\_\_\_; that the foregoing is a true and correct copy of a certain resolution duly adopted in accordance with law and the by-laws of said corporation, at a meeting of the Board of Directors of said Corporation convened and held its office at \_\_\_\_\_ on \_\_\_\_\_ at which meeting a quorum was present, and that such resolutions is now in full force and effect, and is duly recorded in the minutes of said meeting.

IN WITNESS WHEREOF, I have affixed my name and Secretary and caused the corporate seal of said Corporation to hereunto affixed, on \_\_\_\_\_.

“Seal”

\_\_\_\_\_  
Secretary



## AUTHORIZATION AGREEMENT FOR ACH TRANSACTIONS

Lease /Agreement # \_\_\_\_\_

I (we) hereby authorize **Lease Servicing Center, Inc.** to initiate **debit** entries to my (our) account(s) as indicated below and the financial institution name below, hereinafter called Financial Institution, to **debit** the same to such account. I (we) agree to have available funds in my (our) account on the designated date to effect this transfer. I (we) agree to pay any applicable fees for this service as disclosed in the Fee Schedule I (we) acknowledge that the origination of ACH transactions to my (our) account must comply with the provisions of U.S. law.

(Financial Institution Name - sending to) \_\_\_\_\_

\_\_\_\_\_  
(Address / City / State / Zip)

Type of Account:    \_\_\_\_\_ Checking    \_\_\_\_\_ Savings

\_\_\_\_\_  
(Routing Number)

\_\_\_\_\_  
(Account Number)

Type of Transaction      x   Debit    \_\_\_\_\_ Credit    \_\_\_\_\_ Loan

Payment Amt    \_\_\_\_\_ @    \_\_\_\_\_

Transaction Amt    \_\_\_\_\_ @    \_\_\_\_\_ \*

\* Plus applicable taxes, late charges and renewal payments

(Frequency of Transfer) \_\_\_\_\_ (Date/Day of Transfer) \_\_\_\_\_ and applicable fees.

If this date falls on a Saturday, Sunday, or bank holiday, this transfer will automatically be made on the following business day.

**There will be a \$25.00 fee for all ACH items returned to us.**

Lease Servicing Center, Inc. will make every effort to complete this transfer unless circumstances beyond our control prevent the transfer, despite reasonable precautions that we have taken. All terms and conditions of your account agreement apply to this agreement.

\_\_\_\_\_  
(Customer Name)

\_\_\_\_\_  
(Date)

\_\_\_\_\_  
(Individual ID Number)

  X  

\_\_\_\_\_  
(Signature of )

\_\_\_\_\_  
(Individual ID Number)

\_\_\_\_\_  
(Customer Name - if applicable)

\_\_\_\_\_  
(Individual ID Number)

**\*\*Please attach a voided check.....**

## INSURANCE VERIFICATION

DATED: \_\_\_\_\_

Agreement #

Lease Servicing Center, Inc.  
220 22<sup>nd</sup> Ave E, Ste 106  
Alexandria, MN 56308

This is to confirm that the equipment leased under Master Finance Agreement dated \_\_\_\_\_ is or will be covered as required under the Agreement (as defined under the Master Finance Agreement) for bodily injury, property damage and physical damage coverage, and other such risks as required by law. Coverage shall in all ways be as stated in the then current SAPP Coverage Summary (example attached) as updated from time to time. **Lease Servicing Center, Inc., and/or its successors or assigns, is to be named as Additional Insured and Loss Payee on the property coverage. Thirty (30) days notice prior to CANCELLATION is to be given to Lease Servicing Center, Inc.**

INSURANCE CO.: \_\_\_\_\_

POLICY NUMBER: \_\_\_\_\_

AGENCY NAME: \_\_\_\_\_

AGENT NAME: \_\_\_\_\_

ADDRESS: \_\_\_\_\_

FAX NUMBER \_\_\_\_\_

PHONE NUMBER: \_\_\_\_\_

Sincerely,

\_\_\_\_\_  
(Customer's Name)

By: \_\_\_\_\_  
(Signature of Officer of Customer)

Title: \_\_\_\_\_

## Signer Identification Addendum

(Must Be Completed For All Signers)

Agreement #:

Please include a copy of your valid driver's license including photo and signature. (Front and back may be required in certain states)

ATTACH PHOTO IDENTIFICATION WITH SIGNATURE

Photocopy Clear & Legible Driver's License Here

X \_\_\_\_\_  
Signature of Driver's License Bearer,

**EXHIBIT H-5**  
**~~LED Green Lighting Sample Promissory Note~~**

**EXHIBIT I**  
**SAMPLE FRANCHISE AGREEMENT ADDENDA**  
**(Renewal, ~~Platinum Program~~2014 Existing Franchisee Expansion, Shared Premises)**

**Exhibit I**  
**Sample Franchise Agreement Renewal Addendum**  
**RENEWAL ADDENDUM**  
**TO**  
**SNAP FITNESS FRANCHISE AGREEMENT**

This RENEWAL ADDENDUM (this “**Addendum**”) is made and entered into as of the Effective Date of the Franchise Agreement by and between SNAP FITNESS, INC. (referred to as “**we**,” “**us**,” or “**Snap Fitness**”) and \_\_\_\_\_ (referred to as “**you**,” “**your**,” or “**Franchisee**”).

**RECITALS**

- A. Snap Fitness and Franchisee are entering into a renewal Franchise Agreement (the “Franchise Agreement”) effective as of the date of this Addendum for the Franchisee’s existing Snap Fitness Club operated at the location identified in the Franchise Agreement.
- B. Snap Fitness and Franchisee desire to make certain modifications to the Franchise Agreement as further described in this Addendum.

**AGREEMENT**

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

- 1. Initial Franchise Fee/GO FAST Kit. The Franchise Agreement is amended to provide that no Initial Franchise Fee shall be due under the Franchise Agreement and that the GO FAST Kit is not required.
- 2. Provisions Deleted Due to Renewal Franchise Agreement. Sections 5.A (Site Selection) and 5.D (Opening) of the Franchise Agreement are deleted.
- 3. Modernization. Franchisee agrees to complete any updates and modernization for the Club to meet current standards for new Snap Fitness clubs which may include replacing fixtures, equipment and signs and otherwise modifying the Club so it meets the specifications and standards for new Snap Fitness clubs. Unless otherwise agreed in writing with Franchisor, the modernization must be complete on the Effective Date of the Franchise Agreement.
- 4. Release. Franchisee must provide Franchisor a fully signed General Release Agreement.
- 5. Miscellaneous. Except as specifically amended or modified by this Addendum, all terms and conditions of the Franchise Agreement shall remain in full force and effect.
- 6. Counterparts. This Addendum may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute but one and the same agreement.

[the signature page follows]

|

**IN WITNESS WHEREOF**, the parties hereto have duly signed and delivered this Addendum as of the date first written above.

**US:**

SNAP FITNESS, INC.

By: \_\_\_\_\_  
Printed Name: Peter Taunton  
Title: President  
Date: \_\_\_\_\_

**FRANCHISEE:**

By: \_\_\_\_\_  
Printed Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

**Exhibit I**  
**Sample ~~Platinum Program~~2014 Franchisee Expansion Addendum**

**PLATINUM PROGRAM2014 FRANCHISEE EXPANSION ADDENDUM**

This ~~Platinum—Program~~2014 Franchisee Expansion Addendum (“~~PlatinumExpansion~~ Addendum”) made between Snap Fitness, Inc., a Minnesota corporation with its principal business located at 2411 Galpin Ct, Suite 110, Chanhassen, MN 55317 (“~~we~~” or “~~us~~” or “**Snap Fitness**”), and the Franchisee identified in the Summary Page (“**you**”), to be effective on the Effective Date identified ~~in~~on the ~~Summary~~ signature page below.

**RECITALS**

- A. ~~Contemporaneously with the execution of this Addendum, you~~ You are ~~entering into four~~an existing franchisee and desire to expand your Snap Fitness® franchise agreements (each a “**Franchise Agreement**”) pursuant to ~~our Platinum~~ business by opening one or more additional clubs under the 2014 Franchisee Expansion Program (~~the “Platinum Program”~~).
- B. ~~The Clubs licensed under these Franchise Agreements together constitute the “Platinum Clubs.”~~2014 Franchisee Expansion Program provides you with certain benefits if you open a new club by December 1, 2014 (the “**Club**”).
- C. The parties desire to enter into this ~~PlatinumExpansion~~ Addendum ~~in order to clarify certain obligations under~~regarding the ~~Franchise Agreements, as they relate to 2014 Franchisee Expansion Program~~ (the ~~Platinum Clubs~~ “**Program**”).

**AGREEMENT**

In consideration of the foregoing and the mutual covenants and consideration below, you and we agree as follows:

**AGREEMENT**

1. ~~Definitions.~~ Capitalized terms will have the meanings ascribed to them in the ~~Franchise Agreement unless otherwise defined herein. The term “this Agreement” refers to the Franchise Agreement modified by this Addendum.~~
2. ~~—; Waiver of Initial Franchise Fee.~~ The You must have a valid Franchise Agreement for each Club. For a new Franchise Agreement entered into as part of the Program, the initial franchise fees applicable for the each of the ~~Platinum Clubs~~ fee is \$\_\_\_\_\_ (a total of \$\_\_\_\_\_), due as follows: \$\_\_\_\_\_ on signature of the Franchise Agreements and three additional installments of \$\_\_\_\_\_ each due on the earlier of lease signing or the site selection deadline noted below. ~~waived.~~
3. ~~Opening Schedule.~~ With respect to the Platinum Clubs, the following timelines apply:

<b><i>Platinum Club</i></b>	<b><i>Site Selection (Sections 2.B and 5.A)</i></b>	<b><i>Opening Deadline (Section 5.D)</i></b>
One Platinum Club	Within 3 months of the Effective Date	Within 6 months of the Effective Date
Two Platinum Clubs	Within 9 months of the Effective Date	Within 12 months of the Effective Date
Three Platinum Clubs	Within 15 months of the Effective Date	Within 18 months of the Effective Date
Four Platinum Clubs	Within 21 months of the Effective Date	Within 24 months of the Effective Date



~~4. Failure to Meet Opening Schedule. If any deadline in Section 3 above is not met, the following will apply:~~

~~(a) If the Platinum Club developed under this Agreement was 2. Marketing Reimbursement. Snap Fitness will reimburse you for up to \$5,000 of eligible marketing materials ordered through the Snap Fitness portal under the following conditions:~~

~~(a) The Club must be open and operating at the time of the failure, this Agreement will be unaffected by such failure to open.~~

~~(b) If the Platinum Club developed under this Agreement was not open and operating at the time of the failure, we may, at our sole and unilateral option, (i) terminate this Agreement; or (ii) amend this Agreement to eliminate the designated protection afforded by Section 2.B and 2.C of this Agreement.~~

~~5. Franchisor's Purchase Option. We have an option, at our election, to purchase (directly or through a wholly owned subsidiary) all assets used in connection with the Club for a purchase price of three times trailing twelve month EBITDA (earnings before interest, taxes, depreciation and amortization). To exercise our purchase option, we will provide you notice at any time beginning 30 months from the Effective Date of this Agreement and ending 49 months from the Effective Date of this Agreement ("Notice Date"). The date for determining EBITDA for purposes of the purchase price will be specified within the notice and in no event more later than 30 days prior to such notice ("Valuation Date"). The parties will use commercially reasonable efforts to close the purchase within 60 days after the Notice Date ("Closing Date"). Upon Closing, you will assign to us or to our designated affiliate your rights (or, if applicable, your affiliate will assign to us or our designated affiliate its rights) in the lease for the Club premises, we will take possession of the Club premises and you will sell and deliver, and cause your affiliates to sell and deliver, the purchased assets, free and clear of all encumbrances, and to execute and deliver, and cause your affiliates to execute and deliver, to us or our designated subsidiary a bill of sale therefore, and such other documents as may be commercially reasonable and customary to effectuate the sale and transfer of the assets of the Club. The sale documents will contain standard representations and indemnification provisions. December 1, 2014;~~

~~5. Ratification. All other terms (b) The Club must be constructed and conditionsequipped according to Snap Fitness standards (including a new equipment package).~~

~~(c) You must submit a written request for reimbursement with documentation of this the expenditures in accordance with Snap Fitness policies on or before December 31, 2014.~~

~~3. Vendor Incentives. You may be eligible for vendor incentives that are provided directly from third party approved vendors. The vendors are solely responsible for any incentives they provide to you.~~

~~4. Term. For any new Franchise Agreement are hereby ratified entered into as part of the Program, unless otherwise agreed in writing, Section 4 is amended to provide that the Franchise Agreement will automatically expire without renewal if you have not signed a lease for an approved location by November 1, 2014.~~

~~5. Failure to Meet Opening Deadline. If the Club is not open by December 1, 2014, this Addendum will automatically expire and confirmed you will not be eligible for the marketing reimbursement or vendor incentives.~~

[Signature Page Follows]

Each of the undersigned hereby acknowledges having read and understood this Addendum and consents to be bound by all of its terms.

**FRANCHISEE:** (For an entity)

Name of Entity: \_\_\_\_\_

Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**FRANCHISEE:** (For an individual)

Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Date: \_\_\_\_\_

Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Date: \_\_\_\_\_

**FRANCHISOR:**

SNAP FITNESS, INC.

Signature: \_\_\_\_\_

Printed Name: Peter Taunton

Title: President/CEO

Effective Date: - \_\_\_\_\_

**Administrative Use Only:**

This Addendum applies to the following club: \_\_\_\_\_

**Exhibit I**  
**Sample Shared Premises Addendum**

**SNAP FITNESS, INC.**  
**SHARED PREMISES ADDENDUM**

This Shared Premises Addendum is ("Addendum") is entered into on this \_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, by and between SNAP FITNESS, INC., a Minnesota corporation ("Snap Fitness"), and the undersigned franchisee ("Franchisee").

**RECITALS**

A. You have entered into an agreement with us (the "Snap Fitness Franchise Agreement") granting you the right to operate a SNAP FITNESS Club ("SNAP FITNESS Club").

B. You or your affiliate also owns and operates, or will operate, a KOSAMA club (the "KOSAMA Club") pursuant to a valid franchise agreement with Kosama Franchising, LLC (the "KOSAMA Franchise Agreement").

C. You have requested our permission to operate the SNAP FITNESS Club on commercial real estate that is intended to be shared with the KOSAMA Club (the "Shared Premises").

D. The parties are entering into this Addendum to establish the terms and conditions that will govern the operation of the SNAP FITNESS Club at the Shared Premises.

In consideration of the foregoing and the mutual covenants and considerations below, you and we agree as follows:

1. Definitions. Capitalized terms have the meanings ascribed to them in the Snap Fitness Franchise Agreement unless otherwise defined herein.
2. Authorized Location. The following sentence replaces the last sentence of Section 2.B. in its entirety:

During the term of this Agreement, you may not use the Club premises or Authorized Location for any purpose other than the operation of the SNAP FITNESS Club, as provided by this Agreement, and a KOSAMA Club, pursuant to the terms and conditions of this Addendum.

3. Insurance. The following sentence supplements Section 10C.:

In addition to the insurance requirements set forth in Section 10C, you must maintain in full force and effect throughout the term of this Agreement such additional insurance as we require to protect us and our affiliates from and against liability incurred at the Shared Premises, including claims arising out of or related to the operation of the KOSAMA Club.

4. Non-compete Covenants. Your operation of the KOSAMA Club pursuant to this Shared Premises Addendum will not be considered a violation of Section 10.D.2. or 10.D.3. of the SNAP FITNESS Franchise Agreement.

5. Transfer of Franchise – Conditions of Transfer. The following sentence supplements Article 11.C.:

We may condition our consent to a proposed transfer on the contemporaneous transfer of the KOSAMA Club to the same transferee, pursuant to the terms and conditions of the KOSAMA Franchise Agreement.

6. Termination. The following paragraph supplements Section 13B.2.

We have the right to terminate the SNAP FITNESS Franchise Agreement, in accordance with Section 13B.2, if the KOSAMA Franchise Agreement terminates prior to its natural expiration.

7. Affirmation. All other terms of the SNAP FITNESS Franchise Agreement are ratified and affirmed.

IN WITNESS WHEREOF, the parties hereto have duly executed and delivered this Agreement on the date first above written.

**FRANCHISEE:** (For an entity)

Name of Entity: \_\_\_\_\_

Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**FRANCHISEE:** (For an individual)

Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Date: \_\_\_\_\_

Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Date: \_\_\_\_\_

**FRANCHISOR:**

SNAP FITNESS, INC.

Signature: \_\_\_\_\_

Printed Name: Peter Taunton

Title: President/CEO

Date: \_\_\_\_\_

|

**Exhibit J**  
**Sample Fitness on Demand and MyZone Agreements**



Fitness On Demand™ - A division of Wholesale Fitness Supply, LLC  
1630 Lake Drive West Chanhassen, MN 55317  
Phone: 877.474.0505 Fax: 952-368-2311  
info@fitnessondemand247.com

## FITNESS ON DEMAND™ ORDER FORM

### Administrative Information

Representative:	Tentative Installation Date:
-----------------	------------------------------

### Customer Information

Company Name:	Contact Name:	
Billing Address:	Phone:	Fax:
	E-mail:	
Facility Address:	Facility Contact:	
<input type="checkbox"/> Same as above	Phone:	Fax:
	Email:	

☐ Location List Attached (for multiple locations/studios)

### Purchase Order

Equipment Packages and Products	Quantity	Price Per Unit	Total
Debits			
Notes	Subtotal		
	Tax		
	TOTAL		

### Payment Information and Authorization

Equip. Payment Method:	Name:
Deposit Amount:	Number:
Remaining Balance: (due 10d prior install)	Exp. Date:
	CCV:

**Credit Card Authorization.** By signing below, I authorize Fitness On Demand, a division of Wholesale Fitness Supply, LLC, to charge the account indicated above for all amounts due according to this Agreement. I guarantee and warrant that I am the legal holder for this account, and that I am legally authorized to enter into this recurring billing agreement with Fitness On Demand. I agree to indemnify, defend and hold Fitness On Demand harmless, against any liability pursuant to this authorization. I understand that this authorization will remain in effect until I cancel it in writing, and I agree to notify Fitness on Demand in writing of any changes in my account information or termination of this authorization at least 15 days prior to the next billing date.

**Payment Authorization Signature:** \_\_\_\_\_

This FitnessOnDemand™ Order Form ("Order Form"), together with the attached master terms and conditions ("Master Terms and Conditions") and any other exhibits or attachments hereto the "Agreement") is entered into by and between Fitness on Demand, a division of Wholesale Fitness Supply, LLC and Customer. In the event of a conflict between the Order Form and the Terms and Conditions, the Master Terms and Conditions prevail.

## MASTER TERMS AND CONDITIONS

These FitnessOnDemand™ Master Terms and Conditions and any future orders (collectively, the “Order Form”) and any other exhibits or attachments hereto, (collectively the “Agreement”) is entered into by and between Wholesale Fitness Supply, LLC and Customer. In the event of a conflict between the Order Form and the Master Terms and Conditions, the Master Terms and Conditions prevail. The Master Terms and Conditions apply to all future sales or orders by Fitness On Demand to Customer unless otherwise agreed in writing by the parties.

**1. DEFINITIONS.** “Company” means FitnessOnDemand, a division of Wholesale Fitness Supply, LLC, a Minnesota limited liability company. “Customer” means the purchaser identified on the Order Form. “FOD System” means the FitnessOnDemand™ system through which automated group fitness classes can be offered and includes the Videos and operating software. “License Term” means the term of the license for each FOD System (See Section 4.1). “Videos” means the video content provided through the FOD System.

### **2. ORDER, INSTALLATION AND PAYMENT.**

**2.1 Orders.** All orders are subject to acceptance by the Company. In the event of cancellation by Company, Company’s sole obligation is to return any down payment paid by Customer. In the event of cancellation by Customer, the down payment is non-refundable and will be retained by Company.

**2.2 Installation.** FOD System must be installed by Company or an authorized installer. Company will contact Customer to schedule installation of the FOD System. Company will provide the specifications outlining the installation requirements for the FOD System. Customer is solely responsible for providing the hardware, third party software peripherals, internet connection and other computer equipment required to run the FOD System and completing the necessary electrical work for the FOD System according to the specifications provided by the Company prior to the scheduled installation date. Customer also is responsible for obtaining and paying for all permits, licenses, fees and certificates of inspection necessary for installation of the FOD System.

**2.3 Payments.** A down payment in the amount listed on the Order Form must be paid at the time Customer submits the Order Form and will be applied to the total purchase price. The balance for the equipment payment is due no later than 10 days before the scheduled installation date. If Customer fails to pay on or before the due date or the installation site does not meet Company’s specifications on the scheduled installation date, the Company reserves the right to reschedule installation and charge the Customer a rescheduling fee of up to \$995. If Customer fails to make any payment when due or any electronic payment is declined, a service charge of \$20 will apply. In addition, late payments will bear interest at a rate of 18% of the total amount due or the maximum legal interest rate, whichever is less and, in addition to any other remedies, if any amounts are 30 days or more overdue, Company reserves the right to suspend the license and services until paid in full. Customer is responsible for ensuring that the billing information is accurate and current. All payments are listed in and must be paid in United States dollars.

### **3. INTELLECTUAL PROPERTY**

**3.1 License.** Subject to all the terms of this Agreement and Customer’s payment of the License Fee, Company grants Customer a non-exclusive, personal, revocable, non-assignable,

non-sublicensable right to use the FOD System at the Facility Locations identified on Schedule 1. Other than the license granted, no right, title or interest in all or any portion of the FOD System is conveyed or assigned to Licensee, either expressly or by implication, including any patents, copyrights, trade secrets, trademarks, trade names, or other intellectual property rights associated with the FOD System.

**3.2 License Fee.** The monthly license fee noted on the Order Form is due for each FOD System (plus tax if applicable). Company reserves the right to change the License Fee upon notice to Customer’s contact e-mail address listed on the Order Form and Customer agrees to pay the new license fee as stated in the notice, provided that in the event of any increase of the License Fee, Customer may cancel this Agreement by providing notice of cancellation to Company within 30 days of notification of the price increase.

**3.3 Updates.** From time to time, Company will provide updates, modifications or new releases of the software and Videos for the FOD System. Customer may use only the Videos approved by Company and must discontinue use of any Videos upon notice by Company. Any update, modification or new release of the FOD System is subject to all the terms of this Agreement.

**3.4 Restrictions.** Customer may not (and may not permit its employees or any third parties to): (i) decompile, disassemble or otherwise reverse engineer or attempt to reconstruct the FOD System, (ii) alter or modify the FOD System, (iii) use any expired Videos or any third-party content; (iv) use the FOD System in any manner that violates any local, state, provincial, federal, or international law, rule, regulation or ordinance; (v) contest Company’s rights to the FOD System or trademarks; or (vi) remove, obscure or alter any product identification, copyright or other notices.

**3.5 Trademarks.** Company hereby grants Customer a license to use the FITNESSONDEMAND™ trademarks and trade names solely in connection with the FOD System as provided in this Agreement. Customer agrees to comply with the Company’s trademark usage policies.

**3.6 Confidentiality.** Customer acknowledges that the FOD System is proprietary to the Company and agrees that it will not disclose or permit any of its employees, agents or representatives to disclose to any party any data or information with respect to the FOD System (including any passwords and the terms of this Agreement) without Company’s prior written consent. This obligation shall continue during the terms of this Agreement and for a period of five (5) years thereafter, except with respect to trade secrets in which case such obligation will not expire.

### **4. TERM AND TERMINATION**

**4.1 Term.** This Agreement is effective when signed by both parties and continues until expiration or termination of the



License Terms for the FOD Systems. The License Term for each FOD System is one year beginning the date the FOD System is installed at the Facility and will automatically renew for successive one year terms unless either party gives 90 days advance written notice prior to the end of the term.

4.2 Termination. Either party may terminate this Agreement if the other party breaches any of its material terms or conditions and fails to cure each breach within 30 calendar days of written notice thereof, or, in the case of payment defaults, within 10 calendar days of written notice thereof.

4.3 Consequences of Termination. Upon termination or expiration of this Agreement, Customer shall cease use of the FOD System and any Trademarks and return to Company or destroy (at Company's option) any manuals or confidential materials. Upon expiration of any License Term, Customer shall cease use of the relevant FOD System and remove all Company's associated trademarks.

## **5. NO WARRANTY; LIABILITY; INDEMNIFICATION AND INSURANCE**

5.1 LIMITED WARRANTY. Company provides a limited warranty as follows: (a) 90 days from the date of installation – repair or replacement of defective parts, including labor; (b) one year from the date of installation—repair or replacement of defective parts only (labor charges additional). The limited warranty in this paragraph does not apply: (a) if the FOD System has been altered or changed by the Customer after installation without Company's consent; (b) if the FOD System fails as a result of improper maintenance or operation, or use contrary to furnished instructions; (c) to damages caused by the failure of any third party product or component; (d) to any abuse, misuse, neglect or negligence by Customer or its end users, or (e) if the FOD System has been purchased from a source other than Company. This limited warranty is granted to Customer only and may not be assigned or otherwise transferred to any party by Customer without the prior written consent of Company. EXCEPT AS EXPLICITLY STATE ABOVE, THE FOD SYSTEM IS LICENSED "AS IS" WITHOUT WARRANTIES OF ANY KIND, EXPRESS, IMPLIED OR STATUTORY, INCLUDING BUT NOT LIMITED TO MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE OR NON-INFRINGEMENT. Company does not represent or warrant that the FOD System will operate uninterrupted or error free.

5.2 LIMITATION OF LIABILITY. EXCEPT FOR CUSTOMER'S OBLIGATIONS UNDER SECTIONS 3 (INTELLECTUAL PROPERTY) AND 5.3 (INDEMNIFICATION), TO THE MAXIMUM EXTENT PERMITTED BY LAW, NEITHER PARTY WILL BE LIABLE FOR ANY CONSEQUENTIAL, INDIRECT, SPECIAL, INCIDENTAL, OR PUNITIVE DAMAGES, INCLUDING LOSS OF PROFITS, EVEN IF THE POSSIBILITY OF SUCH DAMAGES HAS BEEN DISCLOSED OR COULD HAVE REASONABLY BEEN FORESEEN. IN NO EVENT WILL THE AGGREGATE LIABILITY WHICH COMPANY MAY INCUR IN ANY ACTION, WHETHER IN CONTRACT, TORT OR OTHERWISE EXCEED \$10,000.

5.3 Indemnification. Customer must indemnify, defend, and hold Company and its officers, directors, employees, affiliates, agents, and assigns harmless from and against any claims, demand, action, cause of action, suit or proceeding (including reasonable attorneys' fees and costs) relating to or arising from Customer's use of the FOD System and trademarks, including but not limited to liabilities arising from bodily injury, including death, or property damage to any person.

5.4 Insurance. During the term of this Agreement and any License Term, Customer must maintain and keep in force at its own expense, commercial general liability insurance with per location minimum limits of one million per occurrence and two million dollars in the aggregate. Upon Company's request, Customer must name Company an additional insured and provide a certificate of insurance evidencing such coverage.

## **6. GENERAL PROVISIONS**

6.1 Entire Agreement; Amendments. This Agreement constitutes the entire agreement of the parties and supersedes all prior communications, understandings and agreements relating to the subject matter hereof, whether oral or written. Any modification of this Agreement must be in writing signed by both parties. Nothing contained in any purchase order or Customer issued document will in any way serve to modify or add any terms or conditions to the sale or license of the FOD System pursuant to this Agreement.

6.2 Assignment. Customer may not sell, assign, license or sublicense or otherwise convey in whole or in part, by operation of law or otherwise, to any third party this Agreement without Company's prior written consent. Company is entitled to assign the Agreement, in whole or in part, to any affiliate or to any entity to which it sell, transfer, convey, assign, or lease all or substantially all of its rights and assets and Customer hereby consents to such assignment.

6.3 Independent Contractors. Company and Customer are independent contractors. This Agreement does not create a partnership, franchise, joint venture, agency, fiduciary or employment relationship between the parties.

6.4 Force Majeure. Neither party shall be responsible for delays or failure in performance of this Agreement (other than failure to pay amounts due) to the extent that such party was hindered in its performance by any act of God, civil commotion, labor dispute, unavailability or shortages of materials or any other occurrence beyond its reasonable control.

6.5 Notices. Except where another method is specified in this Agreement, any notice, demand or other communication provided for in this Agreement must be in writing and (i) delivered personally, (ii) delivered by reputable overnight service (such as FedEx), or (iii) deposited in the mail, service or postage pre-paid, and addressed to the parties at the addresses on the Order Form. Notices for the purpose of this Section will be deemed to have been received if mailed or delivered as provided in this Section.

6.6 Dispute Resolution. This Agreement is governed by the laws of the State of Minnesota without reference to its choice of laws rules and not including the provisions of the 1980 U.N. Convention on Contracts for the International Sale of Goods. The parties hereby consent and submit to the jurisdiction of the federal or state courts for the state of Minnesota. In the event of a dispute, the parties will first attempt to resolve the dispute through consultation and negotiation. If not resolved by negotiation, any dispute arising out of or in connection with this Agreement must be referred to and finally resolved by arbitration under the then-current rules and procedures of the American Arbitration Association ("AAA"). The seat or legal place of arbitration must be Minneapolis, Minnesota, U.S.A. Customer agrees that in the event of breach of this Agreement by Customer, Company shall be entitled to injunctive relief to enforce the terms of this Agreement in addition to any other remedy Company might have. In the event of litigation or other proceedings by Company to enforce or defend any term or provision of this Agreement, Customer agrees to pay all costs and expenses sustained by



Company, including but not limited to, reasonable attorneys' fees. Customer's sole and exclusive remedies under this Agreement are as expressly set forth in this Agreement. THE PARTIES IRREVOCABLY WAIVE ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT.

6.8 Miscellaneous. Failure by either party to enforce a provision of this Agreement shall not be deemed a waiver of any other provision. In the event any one or more of the provisions of this Agreement is deemed invalid, illegal or unenforceable in any

respect, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby. The representations and warranties of the parties and any term which expressly or by its nature survive termination of this Agreement shall remain in full force and effect after termination or expiration of this Agreement. This Agreement may be executed in counterparts and delivered by facsimile or electronic transmission, each of which will be deemed an original and all of which together constitute one instrument.

## Authorized Signatures

<b>Customer:</b> _____		<b>Fitness On Demand</b>	
Signature: _____		a division of Wholesale Fitness Supply, LLC	
		Signature: _____	
Name:	_____	Name:	Garrett Marshall
Title:	_____	Title:	Business Development Director
Date:	_____	Date:	_____



Fitness On Demand™ - A division of Wholesale Fitness Supply, LLC  
1630 Lake Drive West Chanhassen, MN 55317  
Phone: 877.474.0505 Fax: 952-368-2311  
info@fitnessondemand247.com

### SCHEDULE 1: FACILITY LIST

	<i>Facility Name</i>	<i>Street Address</i>	<i>Facility Contact Person</i>	<i>Phone</i>	<i>Requested Installation Date*</i>	<i>Actual Installation Date</i> <b>ADMIN USE ONLY</b>
1						
2						
3						
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15						

\*Installation Dates will be confirmed by Fitness On Demand and are subject to availability. Allow 45-60 days.



1630 Lake Drive West  
Chanhassen, MN 55317  
952-426-7171 office  
952-368-2311 fax



## **Fitness On Demand Standard Install**

Included with purchase of FOD

### **Scope of Work:**

Superior Security proposes to install the Fitness on Demand System per the specifications outlined in the Technical Installation Reference Guide v1.0.

### **Assumptions:**

- Pricing is based on an installation within the continental United States. Pricing at other locations may vary
- All cable will be non-plenum. Plenum rated cable is available for additional cost.
- Ceiling must be a typical drop ceiling and less than 12' from finished floor. Additional ceiling types and ceiling heights will be an additional fee
- All equipment and mounts listed in the Technical Installation Reference Guide will be provided by Superior Security.
- All network connectivity is provided by others. Superior Security can provide network connectivity at an additional charge.
- All power is provided by others and installed prior to Superior Security's onsite arrival. Superior Security can coordinate the installation of power for an additional charge.
- All cable runs by Superior Security must be less than 50'. Additional lengths can be pulled for an additional charge.
- Wall surfaces must have a minimum of a 2" clear cavity behind the wall surface. Insulation and other obstructions will require an additional charge.
- Wall finishes must be standard and must not require special tools for drilling/mounting/etc.
- Installation delays outside of Superior Security's control will be billed via the change order process
- All cabling will be installed via EIA/TIA standards, and all local authorities.
- Superior Security will have access to all cable pathways, obstructions to cabling pathways will be billed as they incur.
- Ceiling mounted equipment will be mounted to existing building steel or concrete, Non-standard mounts will be billed on a T&M basis.
- Superior Security will have unobstructed access to installation area. Any delays will be billed via a change order.

### **Additional Charge Items:**

Ceiling Height Over 14'	\$ 399.00
Ceiling Height Over 16'	\$ 799.00
Each Additional Speaker	\$ 199.00
Exposed Ceiling	\$ 399.00
Networking Drop	\$ 199.00
Non-Cavity Wall Scenario	\$ 799.00
Plenum Cabling Fee	\$ 299.00
Schedule Change	\$ 99.00 (24 to 72 hours prior)
Schedule Change	\$ 299.00 (same day or techs onsite)



Distributed by Fitness On Demand, an Authorized Distributor

Fitness On Demand™ - A division of Wholesale Fitness Supply, LLC  
1630 Lake Drive West Chanhassen, MN 55317  
Phone: 877.474.0505 Fax: 952-368-2311  
info@fitnessondemand247.com

## Administrative Information

## MYZONE™ ORDER FORM

Representative:	Tentative Installation Date:
-----------------	------------------------------

## Customer Information

Company Name:	Contact Name:	
Billing Address:	Phone:	Fax:
	E-mail:	
Facility Address:	Facility Contact:	
<input type="checkbox"/> Same as above	Phone:	Fax:
	Email:	

☐ Location List Attached (for multiple locations/studios)

## Purchase Order

Equipment Packages and Products	Quantity	Price Per Unit	Total
Other			
Notes	Subtotal		
	Tax		
	TOTAL		

## Payment Information and Authorization

Equip. Payment Method:	Name:
Deposit Amount:	Number:
Remaining Balance: (due 10d prior install)	Exp. Date:
"License Fee" \$149.99 (unit/mo); Payment Method:	CCV:

**Credit Card Authorization.** By signing below, I authorize Fitness On Demand, a division of Wholesale Fitness Supply, LLC, to charge the account indicated above for all amounts due according to this Agreement. I guarantee and warrant that I am the legal holder for this account, and that I am legally authorized to enter into this recurring billing agreement with Fitness On Demand. I agree to indemnify, defend and hold Fitness On Demand harmless, against any liability pursuant to this authorization. I understand that this authorization will remain in effect until I cancel it in writing, and I agree to notify Fitness on Demand in writing of any changes in my account information or termination of this authorization at least 15 days prior to the next billing date.

**Payment Authorization Signature:** \_\_\_\_\_

This Fitness On Demand™ Order Form ("Order Form"), together with the attached master terms and conditions ("Master Terms and Conditions") and any other exhibits or attachments hereto (collectively the "Agreement") is entered into by and between Fitness on Demand, a division of Wholesale Fitness Supply, LLC and Customer. In the event of a conflict between the Order Form and the Master Terms and Conditions, the Master Terms and Conditions prevail.



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Chanhassen, MN 55317

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Fax: 952-368-2311  
info@fitnessondemand247.com

## MASTER TERMS AND CONDITIONS

These MyZone™ Master Terms and Conditions and any future orders (collectively, the “Order Form”) and any other exhibits or attachments hereto, (collectively the “Agreement”) is entered into by and between Wholesale Fitness Supply, LLC and Customer. In the event of a conflict between the Order Form and the Master Terms and Conditions, the Master Terms and Conditions prevail. The Master Terms and Conditions apply to all future sales or orders by Wholesale Fitness Supply, LLC to Customer unless otherwise agreed in writing by the parties.

**1. DEFINITIONS.** “Company” means FitnessOnDemand, a division of Wholesale Fitness Supply, LLC, a Minnesota limited liability company. “Customer” means the purchaser identified on the Order Form. “MYZONE System” means the MyZone™ system which includes the MyZone personal monitoring system known as MyZoneMoves, the equipment, system software, documentation and related information systems. “License Term” means the term of the license for each MyZone System (See Section 4.1).

### **2. ORDER, INSTALLATION AND PAYMENT.**

**2.1 Orders.** All orders are subject to acceptance by the Company. In the event of cancellation by Company, Company’s sole obligation is to return any down payment paid by Customer. In the event of cancellation by Customer, the down payment is non-refundable and will be retained by Company.

**2.2 Installation.** MYZONE System must be installed by Company or an authorized installer. Company will contact Customer to schedule installation of the MYZONE System. Company will provide the specifications outlining the installation requirements for the MYZONE System. Customer is solely responsible for providing the hardware, third party software peripherals, internet connection and other computer equipment required to run the MYZONE System and completing the necessary electrical work for the MYZONE System according to the specifications provided by the Company prior to the scheduled installation date. Customer also is responsible for obtaining and paying for all permits, licenses, fees and certificates of inspection necessary for installation of the MYZONE System.

**2.3 Payments.** A down payment in the amount listed on the Order Form must be paid at the time Customer submits the Order Form and will be applied to the total purchase price. The balance for the equipment payment is due no later than 10 days before the scheduled installation date. If Customer fails to pay on or before the due date or the installation site does not meet Company’s specifications on the scheduled installation date, the Company reserves the right to reschedule installation and charge the Customer a rescheduling fee of up to \$995. If Customer fails to make any payment when due or any electronic payment is declined, a service charge of \$20 will apply. In addition, late payments will bear interest at a rate of 18% of the total amount due or the maximum legal interest rate, whichever is less and, in addition to any other remedies, if any amounts are 30 days or more overdue, Company reserves the right to suspend the license and services until paid in full. Customer is responsible for ensuring that the billing information is accurate and current. All payments are listed in and must be paid in United States dollars.

### **3. INTELLECTUAL PROPERTY**

**3.1 License.** Subject to all the terms of this Agreement and Customer’s payment of the License Fee, Company grants Customer a non-exclusive, personal, revocable, non-assignable, non-sublicensable right to use the MYZONE System at the Facility Locations identified on Schedule 1. Other than the license granted, no right, title or interest in all or any portion of the MYZONE System is conveyed or assigned to Licensee, either expressly or by implication, including any patents, copyrights, trade secrets, trademarks, trade names, or other intellectual property rights associated with the MYZONE System.

**3.2 License Fee.** The monthly license fee noted on the Order Form is due for each MYZONE System (plus tax if applicable). Company reserves the right to change the License Fee upon notice to Customer’s contact e-mail listed on the Order Form and Customer agrees to pay the new license fee as stated in the notice, provided that in the event of any increase of the License Fee, Customer may cancel this Agreement by providing notice of cancellation to Company within 30 days of notification of the price increase.

**3.3 Updates.** From time to time, Company may provide updates, modifications or new releases of the software for the MYZONE System. Any update, modification or new release of the MYZONE System is subject to all the terms of this Agreement.

**3.4 Restrictions.** Customer may not (and may not permit its employees or any third parties to): (i) decompile, disassemble or otherwise reverse engineer or attempt to reconstruct the MYZONE System, (ii) alter or modify the MYZONE System, (iii) use the MYZONE System in any manner that violates any local, state, provincial, federal, or international law, rule, regulation or ordinance; (iv) contest Company’s rights to the MYZONE System or trademarks; or (v) remove, obscure or alter any product identification, copyright or other notices.

**3.5 Confidentiality.** All information, data, drawings, specifications, documentation, software listings, source or object code which the Company may have imparted and may from time to time impart to Customer relating to the MYZONE System are proprietary and confidential. Customer agrees that it will not disclose or permit any of its employees, agents or representatives to disclose to any party any data or information with respect to the MYZONE System (including any passwords and the terms of this Agreement) without Company’s prior written consent. This obligation shall continue during the terms of this Agreement and for a period of five (5) years thereafter, except with respect to trade secrets in which case such obligation will not expire.

### **4. TERM AND TERMINATION**

**4.1 Term.** This Agreement is effective when signed by both parties and continues until expiration or termination of the License Terms for the MYZONE Systems. The License Term for



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A division of  
Wholesale Fitness Supply, LLC  
1630 Lake Drive West  
Chanhassen, MN 55317

Phone: 877.474.0505  
Fax: 952-474-5416  
info@fitnessondemand247.com

each MYZONE System is one year beginning the date the MYZONE System is installed at the Facility and will automatically renew for successive one year terms unless either party gives 90 days advance written notice prior to the end of the term.

4.2 Termination. Either party may terminate this Agreement if the other party breaches any of its material terms or conditions and fails to cure each breach within 30 calendar days of written notice thereof, or, in the case of payment defaults, within 10 calendar days of written notice thereof.

4.3 Consequences of Termination. Upon termination or expiration of this Agreement, Customer shall cease use of the MYZONE System and any Trademarks and return to Company or destroy (at Company's option) any manuals or confidential materials. Upon expiration of any License Term, Customer shall cease use of the relevant MYZONE System and remove all associated trademarks.

## 5. WARRANTY; LIABILITY; INDEMNIFICATION AND INSURANCE

5.1 WARRANTY. Customer understands that Company is not the manufacturer of the MYZONE System purchased by Customer hereunder and the only warranties offered are those of the manufacturer, not Company or its Affiliates. In purchasing the MYZONE System, Customer is relying on the manufacturer's specifications only and is not relying on any statements, specifications, photographs or other illustrations representing the MYZONE System that may be provided by Company or its Affiliates. COMPANY AND ITS AFFILIATES HEREBY EXPRESSLY DISCLAIM ALL WARRANTIES EITHER EXPRESS OR IMPLIED, RELATED TO THE MYZONE SYSTEM, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTY OF TITLE, ACCURACY, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, WARRANTY OF NONINFRINGEMENT, OR ANY WARRANTY RELATING TO THIRD PARTY SERVICES. THE DISCLAIMER CONTAINED IN THIS PARAGRAPH DOES NOT AFFECT THE TERMS OF ANY MANUFACTURER'S WARRANTY. Customer expressly waives any claim that it may have against Company or its Affiliates based on any product liability or infringement or alleged infringement of any patent, copyright, trade secret or other intellectual property rights (each a "Claim") with respect to the MYZONE System or any other product sold to Customer pursuant to this Agreement and also waives any right to indemnification from Company or its Affiliates against any such Claim made against Customer by a third party. Customer acknowledges that no employee of Company or its Affiliates is authorized to make any representation or warranty on behalf of Company or any of its Affiliates that is not in this Agreement.

5.2 LIMITATION OF LIABILITY. EXCEPT FOR CUSTOMER'S OBLIGATIONS UNDER SECTIONS 3 (INTELLECTUAL PROPERTY) AND 5.3 (INDEMNIFICATION), TO THE MAXIMUM EXTENT PERMITTED BY LAW, NEITHER PARTY WILL BE LIABLE FOR ANY CONSEQUENTIAL, INDIRECT, SPECIAL, INCIDENTAL OR PUNITIVE DAMAGES, INCLUDING LOSS

OF PROFITS, EVEN IF THE POSSIBILITY OF SUCH DAMAGES HAS BEEN DISCLOSED OR COULD HAVE REASONABLY BEEN FORESEEN. IN NO EVENT WILL THE AGGREGATE LIABILITY WHICH COMPANY MAY INCUR IN ANY ACTION, WHETHER IN CONTRACT, TORT OR OTHERWISE EXCEED \$10,000.

5.3 Indemnification. Customer must indemnify, defend, and hold Company and its officers, directors, employees, affiliates, agents, and assigns harmless from and against any claims, demand, action, cause of action, suit or proceeding (including reasonable attorneys' fees and costs) relating to or arising from Customer's use of the MYZONE System and trademarks, including but not limited to liabilities arising from bodily injury, including death, or property damage to any person.

5.4 Insurance. During the term of this Agreement and any License Term, Customer must maintain and keep in force at its own expense, commercial general liability insurance with per location minimum limits of one million per occurrence and two million dollars in the aggregate. Upon Company's request, Customer must name Company an additional insured and provide a certificate of insurance evidencing such coverage.

## 6. GENERAL PROVISIONS

6.1 Entire Agreement; Amendments. This Agreement constitutes the entire agreement of the parties and supersedes all prior communications, understandings and agreements relating to the subject matter hereof, whether oral or written. Any modification of this Agreement must be in writing signed by both parties. Nothing contained in any purchase order or Customer issued document will in any way serve to modify or add any terms or conditions to the sale or license of the MYZONE System pursuant to this Agreement.

6.2 Assignment. Customer may not sell, assign, license or sublicense or otherwise convey in whole or in part, by operation of law or otherwise, to any third party this Agreement without Company's prior written consent. Company is entitled to assign the Agreement, in whole or in part, to any affiliate or to any entity to which it sell, transfer, convey, assign, or lease all or substantially all of its rights and assets and Customer hereby consents to such assignment.

6.3 Independent Contractors. Company and Customer are independent contractors. This Agreement does not create a partnership, franchise, joint venture, agency, fiduciary or employment relationship between the parties.

6.4 Force Majeure. Neither party shall be responsible for delays or failure in performance of this Agreement (other than failure to pay amounts due) to the extent that such party was hindered in its performance by any act of God, civil commotion, labor dispute, unavailability or shortages of materials or any other occurrence beyond its reasonable control.

6.5 Notices. Except where another method is specified in this Agreement, any notice, demand or other communication provided for in this Agreement must be in writing and (i) delivered personally, (ii) delivered by reputable overnight service (such as FedEx), or (iii) deposited in the mail, service or postage pre-paid, and addressed to the parties at the addresses on the Order Form. Notices for the purpose of this Section will be



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Fitness On Demand  
A division of  
Wholesale Fitness Supply, LLC  
1630 Lake Drive West  
Chanhassen, MN 55317

Phone: 877.474.0505  
Fax: 952-474-5416  
info@fitnessondemand247.com

deemed to have been received if mailed or delivered as provided in this Section.

6.6 Dispute Resolution. This Agreement is governed by the laws of the State of Minnesota without reference to its choice of laws rules and not including the provisions of the 1980 U.N. Convention on Contracts for the International Sale of Goods. The parties hereby consent and submit to the jurisdiction of the federal or state courts for the state of Minnesota. In the event of a dispute, the parties will first attempt to resolve the dispute through consultation and negotiation. If not resolved by negotiation, any dispute arising out of or in connection with this Agreement must be referred to and finally resolved by arbitration under the then-current rules and procedures of the American Arbitration Association ("AAA"). The seat or legal place of arbitration must be Minneapolis, Minnesota, U.S.A. Customer agrees that in the event of breach of this Agreement by Customer, Company shall be entitled to injunctive relief to enforce the terms of this Agreement in addition to any other remedy Company might have. In the event of litigation or other proceedings by Company to enforce or defend any term or provision of this Agreement, Customer agrees to pay all costs and expenses sustained by

Company, including but not limited to, reasonable attorneys' fees. Customer's sole and exclusive remedies under this Agreement are as expressly set forth in this Agreement. THE PARTIES IRREVOCABLY WAIVE ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT.

6.8 Miscellaneous. Failure by either party to enforce a provision of this Agreement shall not be deemed a waiver of any other provision. In the event any one or more of the provisions of this Agreement is deemed invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby. The representations and warranties of the parties and any term which expressly or by its nature survive termination of this Agreement shall remain in full force and effect after termination or expiration of this Agreement. This Agreement may be executed in counterparts and delivered by facsimile or electronic transmission, each of which will be deemed an original and all of which together constitute one instrument.

#### Authorized Signatures

<b>Customer:</b> _____		<b>Fitness On Demand</b>	
Signature: _____		A division of Wholesale Fitness Supply, LLC	
Name: _____		Signature: _____	
Title: _____		Name: _____	
Date: _____		Title: _____	
		Date: _____	





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## SCHEDULE 2: FACILITY LIST

	<i>Facility Name</i>	<i>Street Address</i>	<i>Facility Contact Person</i>	<i>Phone</i>	<i>Requested Installation Date*</i>	<i>Actual Installation Date</i> <b>ADMIN USE ONLY</b>
1						
2						
3						
4						
5						
6						
7						
8						
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10						
11						
12						
13						
14						
15						

\*Installation Dates will be confirmed by Fitness On Demand and are subject to availability. Allow 4-6 weeks.





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## Addendum to MyZone Order Form – Snap Fitness Franchisees Only

**AMENDMENTS—USA.** The following amendments apply to franchisees of Snap Fitness, Inc.:

1. **Payment Authorization—Franchise Account.** I (We) hereby authorize Snap Fitness, Inc., including any of its affiliates, successors and assigns (hereinafter “Snap Fitness”) to automatically initiate and make debit entries (charges) against any of our accounts including, but not limited to, the account(s) on file for payment of monthly franchise fees, for the payment of all sums due from us under the MyZone Agreement. I (We) hereby direct our financial institution(s) to honor any debit entry initiated by Snap Fitness.

I (We) am/are responsible for, and must pay on demand, all costs and charges relating to the handling of debit entries pursuant to this authorization. In addition, I (We) understand that Snap Fitness may impose a fee in the event a debit entry is not paid by our financial institution.

This authority is to remain in effect until written notification of its termination. Any erroneous or incorrect charge will be corrected upon notification from Snap Fitness. If corrections in a debit account are necessary, it may involve a credit or debit to your account(s).

**AMENDMENTS—CANADA.** The following amendments apply to franchisees of Snap Fitness of Canada, Inc.:

1. **Payment Authorization—Franchise Account.** I (We) hereby authorize Snap Fitness of Canada, Inc., including any of its affiliates, successors and assigns (hereinafter “Snap Fitness”) to automatically initiate and make debit entries (charges) against any of our accounts including, but not limited to, the account(s) on file for payment of monthly franchise fees, for the payment of all sums due from us under the MyZone Agreement. I (We) hereby direct our financial institution(s) to honor any debit entry initiated by Snap Fitness.

I (We) am/are responsible for, and must pay on demand, all costs and charges relating to the handling of debit entries pursuant to this authorization. In addition, I (We) understand that Snap Fitness may impose a fee in the event a debit entry is not paid by our financial institution.

This authority is to remain in effect until written notification of its termination. Any erroneous or incorrect charge will be corrected upon notification from Snap Fitness. If corrections in a debit account are necessary, it may involve a credit or debit to your account(s).

2. **License Fees-- Currency.** The Agreement is amended to provide that the monthly License Fee is payable in Canadian dollars.

**Customer's Authorized Signature:** \_\_\_\_\_

**Date:** \_\_\_\_\_

**Snap Fitness Club # :** \_\_\_\_\_



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1630 Lake Drive West Chanhassen, MN 55317  
Phone: 877.474.0505 Fax: 952-368-2311  
info@fitnessondemand247.com

## Addendum to MyZone Order Form – Kosama Franchisees Only

**AMENDMENTS—USA.** The following amendments apply to franchisees of Kosama Franchising, LLC:

2. **Payment Authorization—Franchise Account.** I (We) hereby authorize Kosama Franchising, LLC, including any of its affiliates, successors and assigns (hereinafter “Kosama”) to automatically initiate and make debit entries (charges) against any of our accounts including, but not limited to, the account(s) on file for payment of monthly franchise fees, for the payment of all sums due from us under the MyZone Agreement. I (We) hereby direct our financial institution(s) to honor any debit entry initiated by Kosama.

I (We) am/are responsible for, and must pay on demand, all costs and charges relating to the handling of debit entries pursuant to this authorization. In addition, I (We) understand that Kosama may impose a fee in the event a debit entry is not paid by our financial institution.

This authority is to remain in effect until written notification of its termination. Any erroneous or incorrect charge will be corrected upon notification from Snap Fitness. If corrections in a debit account are necessary, it may involve a credit or debit to your account(s).

**AMENDMENTS—CANADA.** The following amendments apply to franchisees of Kosama Franchising of Canada, Inc.:

3. **Payment Authorization—Franchise Account.** I (We) hereby authorize Kosama Franchising of Canada, Inc., including any of its affiliates, successors and assigns (hereinafter “Kosama”) to automatically initiate and make debit entries (charges) against any of our accounts including, but not limited to, the account(s) on file for payment of monthly franchise fees, for the payment of all sums due from us under the MyZone Agreement. I (We) hereby direct our financial institution(s) to honor any debit entry initiated by Kosama.

I (We) am/are responsible for, and must pay on demand, all costs and charges relating to the handling of debit entries pursuant to this authorization. In addition, I (We) understand that Kosama may impose a fee in the event a debit entry is not paid by our financial institution.

This authority is to remain in effect until written notification of its termination. Any erroneous or incorrect charge will be corrected upon notification from Snap Fitness. If corrections in a debit account are necessary, it may involve a credit or debit to your account(s).

4. **License Fees-- Currency.** The Agreement is amended to provide that the monthly License Fee is payable in Canadian dollars.

**Customer's Authorized Signature:** \_\_\_\_\_

**Date:** \_\_\_\_\_

**Kosama Club # :** \_\_\_\_\_

**Exhibit K**  
**RECEIPT**

This disclosure document summarizes certain provisions of the franchise agreement and other information in plain English. Read this disclosure document and all agreements carefully.

If Snap Fitness, Inc. offers you a franchise, it must provide this disclosure document to you 14 calendar days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale (or sooner if required by state law). New York and Rhode Island require that we give you this disclosure document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship. Michigan requires that we give you this disclosure document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.

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

Issuance Date: March ~~15, 28, 2014~~~~2013~~, as amended ~~December 23, 2013~~, or the Effective Date reflected on the State Effective Dates Page

I acknowledge receiving this Franchise Disclosure Document issued March ~~15, 28, 2014~~~~2013~~, as amended ~~December 23, 2013~~, (or the date reflected on the State Effective Dates Page), including the following exhibits:

**EXHIBIT A** – List of State Administrators and List of Agents for Service of Process; **EXHIBIT B** – Financial Statements; **EXHIBIT C** – Franchise Agreement and State-Specific Addenda; **EXHIBIT D** – Franchisee List; **EXHIBIT E** – Operations Manual Table of Contents; **EXHIBIT F** – Copy of Sample Membership Agreement; **EXHIBIT G** – Form of Release; **EXHIBIT H** – Sample Financing Documents; **EXHIBIT I** – Sample Addenda; **EXHIBIT J** – Sample Fitness on Demand and MyZone Agreements; **EXHIBIT K** – Receipts

Date FDD Received: \_\_\_\_\_ Signed\*: \_\_\_\_\_

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

Date FDD Received: \_\_\_\_\_ Signed\*: \_\_\_\_\_

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

\*Signed individually and as an authorized representative of the franchisee company.

FRANCHISE SELLER'S NAME AND CONTACT INFORMATION:

Peter Taunton, 2411 Galpin Ct., Suite 110, Chanhassen, MN 55317, Phone: 952-474-5422.

~~Gary Findley~~Scott Schubiger, 2411 Galpin Ct, Suite 110, Chanhassen, MN 55317, Phone: 952-474-5422.

You should return one copy of the signed receipt by signing and dating it, and either mailing it to Snap Fitness, Inc. at 2411 Galpin Ct, Suite 110, Chanhassen, Minnesota 55317, or faxing a copy to Snap Fitness, Inc. at 952-474-5416. You may keep the second copy for your records.

**Copy for Franchisee**

**Exhibit K**  
**RECEIPT**

This disclosure document summarizes certain provisions of the franchise agreement and other information in plain English. Read this disclosure document and all agreements carefully.

If Snap Fitness, Inc. offers you a franchise, it must provide this disclosure document to you 14 calendar days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale (or sooner if required by state law). New York and Rhode Island require that we give you this disclosure document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship. Michigan requires that we give you this disclosure document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.

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

Issuance Date: March ~~15, 28, 2014~~~~2013~~, as amended ~~December 23, 2013~~, or the Effective Date reflected on the State Effective Dates Page

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Date FDD Received: \_\_\_\_\_ Signed\*: \_\_\_\_\_

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

Date FDD Received: \_\_\_\_\_ Signed\*: \_\_\_\_\_

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

\*Signed individually and as an authorized representative of the franchisee company.

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**Copy for Snap Fitness, Inc.**