FRANCHISE DISCLOSURE DOCUMENT



®

The Camp Franchise Systems LLC
a California Limited Liability Company
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Chino Hills, CA 91709
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www.thecamptc.com
and www.thecampfranchise.com

The franchises described in this disclosure document are for the operation of THE CAMP TRANSFORMATION CENTER® businesses offering health, fitness and weight control services. The total investment necessary to begin operation of each franchised Center is $311,850 to $418,850. This includes $58,500 to $60,500 that must be paid to us and our affiliate.

The total investment necessary for the Area Development Agreement is $80,500 to $82,000 for the minimum commitment of 2 Centers. This includes $79,000 that must be paid to us.

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

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosure in different formats, contact Alejandra Font at the above address and telephone number.

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

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How to Use This Franchise Disclosure Document

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

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

What You Need To Know About Franchising *Generally*

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

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

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

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

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

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

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

Some States Require Registration

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

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

Special Risks to Consider About *This* Franchise

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

1. **Out-of-State Dispute Resolution**. The franchise agreement and area development agreement require you to resolve disputes with us by mediation or litigation only in the judicial district in which we have our principal place of business at the time the action is commenced, which is currently San Bernardino County, California. Out-of-state mediation or litigation may force you to accept a less favorable settlement for disputes. It may also cost you more to mediate or litigate with us in California than in your own state.

2. **Spousal Liability**. Your spouse must sign a document that makes your spouse liable for all financial obligations under the franchise agreement even though your spouse has no ownership interest in the franchise. This guarantee will place both your and your spouse's marital and personal assets, perhaps including your house, at risk if your franchise fails.

3. **Supplier Control**. You must purchase all or nearly all of the inventory and supplies necessary to operate your business from Franchisor, its affiliates, or from suppliers that Franchisor designates at prices that the Franchisor or they set. These prices may be higher than prices you could obtain elsewhere for the same or similar goods. This may reduce the anticipated profit of your franchised business.

4. **Sales Performance Required**. You must maintain minimum sales performance levels. Your inability to maintain these levels may result in loss of any territorial rights you are granted, termination of your franchise, and loss of your investment.

5. **Turnover Rate**. During the last 3 years, a large number of franchised outlets (45), were terminated, not renewed, reacquired, or ceased operations for other reasons. This franchise could be a higher risk investment than a franchise in a system with a lower turnover rate.

6. **Unopened Franchises**. The franchisor has signed a significant number of franchise agreements with franchisees who have not yet opened their outlets. If other franchisees are experiencing delays in opening their outlets, you also may experience delays in opening your own outlet.

Certain states may require other risks to be highlighted. Check the "State Specific Addenda" pages for your state in Exhibit I.

TABLE OF CONTENTS

ITEM		PAGE
ITEM 1.	THE FRANCHISOR AND ANY PARENTS, PREDECESSORS AND AFFILIATES	1
ITEM 2.	BUSINESS EXPERIENCE	3
ITEM 3.	LITIGATION	4
ITEM 4.	BANKRUPTCY	5
ITEM 5.	INITIAL FEES	5
ITEM 6.	OTHER FEES	6
ITEM 7.	ESTIMATED INITIAL INVESTMENT	10
ITEM 8.	RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES	15
ITEM 9.	FRANCHISEE'S OBLIGATIONS	19
ITEM 10.	FINANCING	21
ITEM 11.	FRANCHISOR'S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS AND TRAINING	21
ITEM 12.	TERRITORY	28
ITEM 13.	TRADEMARKS	30
ITEM 14.	PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION	32
ITEM 15.	OBLIGATION TO PARTICIPATE IN THE	33
ITEM 16.	RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL	34
ITEM 17.	RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION	35
ITEM 18.	PUBLIC FIGURES	40
ITEM 19.	FINANCIAL PERFORMANCE REPRESENTATIONS	40
ITEM 20:	OUTLETS AND FRANCHISEE INFORMATION	44
ITEM 21.	FINANCIAL STATEMENTS	49
ITEM 22.	CONTRACTS	49
ITEM 23.	RECEIPTS	49

EXHIBITS:

A. Franchise Agreement
B. Area Development Agreement
C. Operations Manual Table of Contents
D. Sample Release
E. State Franchise Administrators; Agents for Service of Process
F. Financial Statements
G. Franchisees as of December 31, 2025
H. Franchisees Who Exited a Center in 2025
I. State-Specific Disclosures and State-Required Contract Addenda

Receipts

ITEM 1. THE FRANCHISOR AND ANY PARENTS, PREDECESSORS AND AFFILIATES

To simplify the language in this disclosure document, the words "**We**", "**Us**", or "**Our**" mean the franchisor, The Camp Franchise Systems LLC. "**You**" or "**your**" means the person who buys the franchise and includes your owners if you are a corporation, limited liability company, partnership, or other business entity. "**Center**" means a THE CAMP TRANSFORMATION CENTER® fitness and weight control center. Bold face terms are for ease of reference only.

The Franchisor and Affiliates

We are a California limited liability company formed on July 1, 2016 to offer THE CAMP TRANSFORMATION CENTER® franchises. We do not do business under any other name. Our principal business address is 5871 Pine Avenue, Suite 200, Chino Hills, CA 91709. Exhibit E to this disclosure document lists our agents for service of process in franchise registration states.

We do not have any predecessor or parent company. The Camp Franchise Systems LLC does not itself operate any Centers. However, our affiliate, The Camp Bootcamp, Inc. ("**TCB**"), located at 5871 Pine Avenue, Suite 200, Chino Hills, CA 91709, owns and operates two Centers. TCB has operated Company Centers since 2010. Our affiliate, River Wave Fit, LLC, located at 10403 Magnolia Ave. Riverside, CA 92505, owns and operates one Center. Our affiliate, Covina Community Fit, LLC, located at 809 E. Edna Ave. Covina, CA 91723, owns and operates one Center. River Wave Fit, LLC has operated one Center since September 2024, and Covina Community Fit, LLC has operated one Center since May 2025. We refer to the Centers operated by TCB, River Wave Fit, LLC, and Covina Community Fit, LLC as "**Company Centers**."

We are also commonly owned with the following vendors that provide goods and services to our Centers:

- Myo Sport Nutrition, LLC ("**MyoFX**"), a California limited liability company located at 14125 Telephone Ave, Suite 15, Chino, CA 91710. MyoFX sells proprietary supplements and The Camp-branded apparel, accessories and other items to our franchisees, as well as to the public online.
- Social Inbound Marketing, LLC ("**SIM**"), a California limited liability company located at 5871 Pine Ave. Suite 200 Chino Hills, CA 91709. SIM provides digital marketing services to our franchisees.

We have offered THE CAMP TRANSFORMATION CENTER® franchises since October 2016. Neither we nor any of our affiliates have offered franchises in any other line of business.

Before we started our franchise program, TCB granted licenses on a year-to-year basis to use the THE CAMP TRANSFORMATION CENTER® name in connection with the operation of fitness centers. The license agreements were terminable at will by either party, did not require TCB to provide any assistance regarding the licensee's business operations, and did not subject the licensee to any controls by TCB over the licensee's business operations. An affiliate of TCB separately offered consulting services to licensees for a fee. These arrangements have not been offered since we started our franchise program, and there are no remaining licensees. Most of the licensees signed Franchise Agreements and converted their businesses to franchised Centers. The licensees who converted to franchises pay an annual lump-sum trademark fee that differs from the fees you would pay us as a franchisee.

Description of the Franchise

The franchised Centers use a comprehensive system developed by our founders, Alejandra Font and the late Dr. Sam Bakhtiar, starting in 2010, to help customers improve or maintain healthy bodies and control their weight (the "**System**"). The System includes valuable know-how, trade secrets, distinctive interior designs, trademarks, copyrights, proprietary products and software, confidential electronic and other communications, marketing programs, and other business procedures, many of which are collected in our confidential Operations Manual (the "**Manual**"). Each Center must operate according to our standards, specifications, operating procedures and rules (the "**System Standards**"). The Centers use the THE CAMP TRANSFORMATION CENTER® mark and other designated trademarks, trade names, service marks and logos (the **"Marks"**). The Centers offer proprietary nutritional supplements, which are sold under the name MyoFX®**.**

New Centers must have 2,800 to 6,000 square feet. They are typically located in light industrial centers with large doors that open to the outside. Each Center typically employs 12 part-time and full-time persons.

The Centers have a unique ambience, identified exclusively with THE CAMP TRANSFORMATION CENTER® brand name. Every detail of the décor has been planned to enhance the work-out experience and training classes. Each Center emphasizes a clean and brightly colored atmosphere with well-trained, efficient and extremely personable managers and experienced fitness trainers. Each Center is typically open from 4:00 a.m. to 8:00 p.m. every day except weekends, which typically open from 7:00 a.m. to 10:00 a.m.

Franchise Agreement

To obtain a THE CAMP TRANSFORMATION CENTER® franchise, you must qualify both operationally and financially. The first step is to submit a Franchise Application.

If we approve your Franchise Application and you decide to proceed, we will offer you a Franchise Agreement in the form shown in Exhibit A to this disclosure document. If the location of your Center has not been determined as of the time of signing the Franchise Agreement, you will also sign the Site Selection Addendum (Attachment 3 to the Franchise Agreement), which will govern the site selection process.

Area Development Agreement

We may offer qualified prospective franchisees an Area Development Agreement ("**ADA**") for the opening and operation of a minimum of 2 franchised Centers within a designated area (the "**Development Area**") pursuant to a mutually agreed upon Development Schedule. Our current form of ADA is in Exhibit B to this disclosure document. For each franchised Center that you develop under the ADA, you must sign the form of Franchise Agreement that we are then offering to new franchisees, which may be different from the form of Franchise Agreement included in this disclosure document.

Competition

The fitness and weight control center business is highly competitive. You will compete with a variety of establishments which may have financial, personnel, and technical resources far greater than ours and yours. Some may have been in business for many years. You will compete for business in this highly competitive environment.

Industry Regulation

Health club businesses are regulated at the federal, state, and local levels. Some jurisdictions require postings concerning steroids and other drug use, limit supplements that can be sold, and regulate the sale of club memberships. Regulations include design and construction requirements and permits; Center health, safety and sanitation; employment conditions; waste and hazardous materials handling and storage; access for disabled persons; and advertising. You must also comply with laws that apply to businesses generally, such as equal protection, workers' compensation and workplace safety laws and regulation such as Title VII and the Americans with Disabilities Act.

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, and cancellation and partial refund rights for medical or relocation reasons. 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 the external defibrillators. Many states also require that certain types of fitness centers be equipped with working defibrillators. You should investigate the applicability of these and possibly other regulations in the area in which you are interested in locating your Center, and you should consider both their effect and the cost of compliance.

ITEM 2. BUSINESS EXPERIENCE

Co-CEO, LLC Manager and Co-Founder: Alejandra Font

Alejandra Font is a Co-Founder of THE CAMP TRANSFORMATION CENTER concept. She has been our Co-CEO since February 2021 and LLC Manager since we were formed in June 2016. She was our COO from June 2016 to February 2021. She has been CEO of TCB since January 2021 and was TCB's Secretary and Director of Operations from March 2010 to January 2021. She is also the owner of our affiliate, MyoFX.

Co-CEO: Luis Font

Mr. Font has been co-CEO since February 2021 and was our Executive Vice President from April 2018 to January 2021. He has been CEO of our affiliate, MyoFX, since January 2021 and was its marketing director from May 2015 to January 2021. He is also the owner of Social Inbound Marketing, LLC, a company that provides online marketing services to our franchisees.

ITEM 3. LITIGATION

Pending

People of the State of California v. The Camp Bootcamp, Inc. d/b/a The Camp Transformation Center, The Camp Franchise Systems, LLC, Alejandra Font, and Does 1-59, Case No. 2023CUMC014173 (Superior Ct. Calif., County of Ventura), filed September 19, 2023. The district attorney for Ventura County, California filed this civil case against us, TCB, and our Co-CEO under the California Unfair Competition Law, California False Advertising Law, and Contracts for Health Studio Services law. The complaint alleges that certain of the defendants' advertising, marketing, and sales practices and cancellation policies directed toward California consumers are in violation of those laws. The State is seeking an injunction against the allegedly unlawful practices, civil penalties of $2,500 per violation, and investigative costs. We deny the allegations. On January 15, 2026, the court trial was continued to March 22, 2027.

Concluded

California Department of Industrial Relations, Case No. 35-CM-208860-17. On January 24, 2018, the California Department of Industrial Relations issued citations to our affiliate, TCB, and our founders, Dr. Saman Bakhtiar and Alejandra Font, alleging violations of California minimum wage provisions, overtime rules, shift premium pay, and meal and rest period rules with respect to individuals working in company-owned Centers operated by TCB before August 2, 2017. The citations assessed back wages, liquidated damages, and civil penalties totaling approximately $8.3 million. TCB and the founders contested the findings and the amounts assessed through the Department's hearing process and through the California courts. On March 12, 2024, the parties entered into a settlement agreement under which TCB and the founders, without admitting any liability, agreed to pay a total sum of $1,000,000 in installment payments and the plaintiffs released all claims against TCB and its affiliates.

Prive, et al. v. The Camp Bootcamp, Inc., Case No. CIVDS1712280 (Superior Ct. Calif., San Bernardino County), filed June 28, 2017. The plaintiffs, former employees of TCB, brought this action against TCB, alleging California labor law violations substantially similar to those cited by the state Department of Industrial Relations, described above. The plaintiffs sought certification of a class of all persons employed by the defendants in the State of California within four years prior to the filing of the complaint. On November 18, 2019, the parties engaged in mediation of the claims, and on January 15, 2020, they reached a settlement. Under the settlement agreement, the parties stipulated to the certification of a class for purposes of the settlement (the court had not ruled on the issue). TCB, without admitting any liability, agreed to pay a maximum amount of $1.5 million into a settlement fund to be used for settlement administration costs, legal fees to class counsel, the employer's share of payroll taxes, and a small award to the class representatives, with the remaining amount to be distributed to class members. TCB has the right to revoke the settlement agreement if the California Department of Labor Standards Enforcement does not accept it as satisfying all wage and hour liability with respect to the class members. The plaintiffs released all claims against TCB.

Corriea, et al. v. The Camp Bootcamp, Inc. dba The Camp Transformation Center and Does 1 through 100, Case No. CIV-DS-1914377 (Super. Ct. Calif., San Bernardino County), filed May 10, 2019. The plaintiffs in this action were former members (customers) of a company-owned Center operated by TCB. The plaintiffs alleged that they were denied refunds of their membership contract fees when they cancelled their memberships for medical reasons. The complaint alleged

that the defendants' membership contracts and their refusal to provide refunds violated the California Health Studio Services Act and constituted unlawful and unfair practices under the California Unfair Competition Law. The Camp Franchise Systems LLC was not a party to the proceeding. On December 17, 2019, the parties entered into a settlement under which TCB agreed to pay $10,000 and the plaintiffs released all claims against TCB and its affiliates. The court dismissed the lawsuit on March 2, 2020.

On September 6, 2018, our affiliates, Fitness Concepts, Inc. (**"FCI"**) and TCB, and our late co-founder, Saman Bakhtiar, entered into a Consent Order with the Washington Department of Financial Institutions (DFI), Consent Order No. S-18-2491-18-CO01, regarding a licensed location in Vancouver, Washington. As stated in Item 1, before we started our franchise program, TCB granted licenses on a year-to-year basis to use the THE CAMP TRANSFORMATION CENTER® name in connection with the operation of fitness centers, and FCI (a company owned by Dr. Bakhtiar) separately offered consulting services to licensees for a fee. Upon investigation, the DFI determined that the offer of the trademark license agreement and consulting agreement in 2016 constituted the unregistered offer and sale of a franchise in Washington and was therefore in violation of the Washington Franchise Investment Protection Act (FIPA). On September 6, 2018, FCI, TCB and Dr. Bakhtiar entered into a Consent Order with the DFI, under which they agreed to cease and desist from violation of the registration and disclosure sections of the FIPA. FCI, TCB and Dr. Bakhtiar neither admitted nor denied the Findings of Fact and Conclusions of Law in the Consent Order. They agreed to pay $500 in investigative costs.

Except for the foregoing, no litigation is required to be disclosed in this Item.

ITEM 4. BANKRUPTCY

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

ITEM 5. INITIAL FEES

Initial Franchise Fee

The initial franchise fee for a new Center is $49,500. The initial franchise fee is uniform for all franchisees receiving this offering, except for the military veteran discount described below.

You must pay the initial franchise fee in full when you sign the Franchise Agreement. The initial franchise fee is non-refundable, even if you never obtain approval of a site or open the Center.

MyoFX Initial Order

Before you open the Center, you must purchase from MyoFX an initial order of proprietary supplements and The Camp-branded apparel, accessories and other items. The estimated cost ranges from $3,000 to $5,000 and depends on the size of your Center. The cost for the initial order is not refundable.

Technology Fee

You must pay us an annual fee for access to our online training platform and other software, technology, and related services we may provide from time to time (the "**Technology Fee**"). The first payment is due when you sign the Franchise Agreement and will be prorated for the partial calendar year based on the date you sign. The Technology Fee is currently $1,000 but we can adjust it annually (see Item 6). The Technology Fee is not refundable.

Grand Opening Fee

We may require you to pay $5,000 to us or our affiliates (the "**Grand Opening Fee**") for promotions and marketing activities that we will carry out on your behalf during the time period from 14 weeks before your Center opens until 14 days after your Center opens. Alternatively, we may require you to spend a minimum of $5,000 directly for the applicable promotions and marketing activities, including with our affiliates and third parties that we designate. The Grand Opening Fee is not refundable.

Area Development Agreement

If we offer and you sign an Area Development Agreement, you must simultaneously pay us the initial franchise fee for each Center required by your Development Schedule ("**Required Center**"). If you commit to opening two Centers, the initial franchise fee for the first Center is $49,500 and the initial franchise fee for the second Center is $29,500 (for a total of $79,000 due when you sign the ADA). If you commit to opening three Centers, the initial franchise fee for the third Center is $24,500 (for a total of $103,500 due when you sign the ADA). These payments are non-refundable even if you do not open any Centers.

If you develop any additional Centers beyond the Required Centers under your ADA, the initial franchise fee for each additional Center will be the amount required by our then-current form of Franchise Agreement, which may differ from the form of Franchise Agreement contained in this disclosure document.

Military Veteran Discount

If you are an honorably discharged U.S. military veteran, we will provide a 25% discount on the initial franchise fee for your first Center only. If you sign an ADA, the discount will apply only to the initial franchise fee for the first Required Center.

All fees payable to us are intended to be net amounts and you will pay or reimburse us for any sales tax, services tax, use tax, or similar taxes that may be imposed upon any such fees.

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ITEM 6. OTHER FEES

NAME OF FEE (Note 1)	AMOUNT	DUE DATE	REMARKS
Franchise Royalty Fee	6% of Gross Sales	Weekly	See Note 2 for definition of Gross Sales.
Merchandise and Supplements for Resale	Merchandise: Not less than $1,000 every 3 months. Supplements: Quantity necessary to maintain inventory requirements, at MyoFX's then-current prices. Plus shipping, taxes, and duties (if any).	Monthly; As Incurred	You must carry up-to-date Camp-branded merchandise for resale, such as apparel and accessories like T-shirts, sweaters, leggings, shorts, and caps. You must also carry nutritional supplements for resale in an inventory amount we require, which will be a commercially reasonable amount. You will purchase these items from MyoFX. See Item 8.
Marketing Fund	None currently Up to 2.5% of Gross Sales, when Fund begins to operate	Weekly	See Notes 2 and 5.
Local Marketing Commitment	None currently Greater of 2% of Gross Sales or $3,000 per month, if we make it a requirement	Monthly	See Note 3 and Item 11.
Digital Marketing Management	Currently $1,200 per month to Social Inbound Marketing (SIM)	Monthly	Payable directly to SIM, which is our affiliate. Subject to increase over time, no more than 10% per year. See Note 4 and Item 8.
Technology Fee	Currently $1,000 per year.	Annually on July 1st	We can adjust the Technology Fee annually based on our costs for the platforms, software, technology and related services, but the fee will not exceed $1,500 per year. See Item 11.
On-Site Consultation and Additional Training	Our then-current per diem fee (currently $500 per day), plus our expenses	Upon Invoice	Subject to increase over time, no more than 10% per year. See Note 6 and Item 11.

NAME OF FEE (Note 1)	AMOUNT	DUE DATE	REMARKS
Conference Registration Fee	Up to $500 per person, per conference	Annually	Currently, we only require 1 person to attend the annual conference. The fee is payable whether not you attend, to assist in covering the costs we incur to set up and host the conference. In addition to the conference fee, you are responsible for all costs and expenses incurred by you and your staff in attending. See Item 11.
Supplier Evaluation Fee	Our actual costs incurred	Upon request for approval	Payable if you request and we agree to evaluate a potential new supplier. See Note 7.
Late Payment Fees	$250 plus interest on late amounts at 18% or highest legal rate	Upon Invoice	See Note 8.
Insufficient Funds Fee	$100 per occurrence	Upon Invoice	Payable only if you write us a check that is returned, cancelled, or dishonored, or if we debit your bank account and your account has insufficient funds or is inaccessible.
Non-compliance Fee	Up to $1,000 per notice of brand standards violation	Upon Invoice	Payable only if you fail to cure the brand standards violation within 10 days of notice.
Inspection Fee	Actual costs of inspection (estimated at $750 per inspection)	Upon invoice	Payable only if a follow up inspection to confirm that you cured a brand standards violation reveals that the items were not sufficiently cured.
Cure Period Extension Fee	$1,000 per curable event of default	Upon invoice	Payable if you submit a written request for an extension to cure a curable event of default. We must receive your request at least 14 days before the cure period expires. We may grant or deny your request for an extension in our sole discretion.
Liquidated Damages	Your average monthly Royalty, Marketing Fund, Digital Marketing Management, and other fees in the year preceding notice of default, multiplied by the lesser of 12 or the number of months remaining in the franchise term.	Upon demand	Payable only if we terminate the Franchise Agreement based on your default.

NAME OF FEE (Note 1)	AMOUNT	DUE DATE	REMARKS
Attorney Fees	Reasonable amount, as determined by the court	Upon conclusion of proceeding	Payable if we prevail in a legal proceeding against you. See Note 9.
Transfer Fee	$10,000	Before actual transfer	See Note 10.
Renewal Fee	25% of then-current Initial Fee	Prior to Renewal	See Note 10.
Audit	Reasonable accounting and legal fees	Upon invoice	See Note 11.
Insurance Premiums	What you have failed to pay the Insurer	Immediately upon Invoice	Payable to reimburse us for having to pay your obligation.
Indemnification	Our actual costs	Upon Demand	See Note 12.

Notes:

(1) All fees in this Item are imposed uniformly on franchisees receiving this offering, except as otherwise noted. All fees are payable to us unless otherwise indicated. None of these fees are refundable for any reason except errors. All fees payable to us are intended to be "net" amounts and you will pay or reimburse us for any sales, services, use or similar taxes which may be imposed upon any such fees (specifically not to include income taxes). For all amounts payable to us and our affiliates, you must use the payment method(s) that we designate from time to time. We currently require payment by Automated Clearing House (ACH) or electronic funds transfer (EFT), but we can change the payment method. You must designate an account at a commercial bank of your choice and permit us to make withdrawals from that account.

(2) "**Gross Sales**" as defined in the Franchise Agreement means the total of all cash or other form of payment received for services, products and tangible property of every kind, performed or sold at, in, upon or related to your Center and from any vending, game or other type of machine or similar device located at your Center; and any and all other amounts which are received as compensation for any services rendered at or from your Center. "Gross Sales" does not include amounts collected and paid out for sales taxes levied on the sale of products and services or the proceeds from the sale of any furniture, fixtures or equipment previously used at your Center.

(3) We can require you to spend (or pay to us) the amount indicated for marketing of your Center in its trade area (**"Local Marketing**"). However, no minimum Local Marketing requirement is in effect as of the date of this disclosure document. The Local Marketing obligation is in addition to the fees for digital marketing management described in Note 4 below. If an advertising cooperative is established in your area, you must join it, and contributions to it will be applied toward your Local Marketing obligation.

(4) You must use Social Inbound Marketing, LLC ("**SIM**") for certain services related to digital marketing, promotional campaigns, ad placement, web support, and web hosting. Our co-CEO, Luis Font, is the owner of SIM. These fees are in addition to your Local Marketing obligation described in Note 3.

(5) The Marketing Fund is not yet established. These payments will not be required until we determine that establishing the Marketing Fund is appropriate for the System. We will also set the initial contribution rate at that time, which may be less than the maximum rate. TCB will make contributions at the same rate for its Company Centers.

(6) We may require that you and your personnel complete ongoing training on a schedule we determine. We may require you to pay a reasonable fee for in-person training if you are not able to attend training in California. Currently, our on-site training fee is $500 per day. For all training, whether mandatory or optional, you must pay for all travel, lodging and food costs for your personnel (and for our trainer, if on-site at your location).

(7) We may impose reasonable inspection and supervision fees to cover our costs in evaluating and maintaining alternative brands or suppliers you propose. Our current estimated cost is $1,500 although costs could exceed this amount depending on the product or supplier.

(8) The current maximum legal interest rate in California is 10% per annum.

(9) Such fees will vary based on circumstances and may include reimbursement for legal or accounting fees that occur as a result of any breach of the Franchise Agreement. If we are the prevailing party in any dispute with you, you must reimburse us for all legal, accounting, arbitrator, mediator, and other related fees and costs we incur.

(10) These fees may not be uniformly imposed at all times.

(11) In addition to any additional fees found due as a result of an audit of your financial records, you must pay us our audit cost if you have understated Gross Sales by more than 2% of the actual Gross Sales found by the audit. The cost of an audit varies widely depending on how well the books and records are kept, but we estimate the cost of an audit to be between $1,000 and $5,000.

(12) You must indemnify us for claims relating to your operation of the Center, including any liabilities, damages, losses, and expenses we incur as a result of such claims, such as attorneys' fees, costs of investigation, settlement costs, fines, civil penalties, and interest charges.

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ITEM 7. ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT – Franchise Agreement

	AMOUNT		METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS MADE
	Low	High			
Initial Franchise Fee (1)	$49,500	$49,500	Lump Sum	Upon Signing Franchise Agreement	Us
Travel and Living Expenses for Training (2)	$2,000	$5,000	As Incurred	During Training	Airlines, Hotels
Rent and Lease Deposit (3)	$9,000	$11,000	As Negotiated	Signing of Lease	Lessor
Construction (4)	$42,000	$65,000	As Negotiated	Prior to Opening Center	Suppliers and Contractors
Architect and Materials (5)	$87,000	$126,000	As Incurred	Prior to Opening Center	Suppliers
Equipment Pack (6)	$48,000	$48,000	Lump Sum	Upon Delivery	Designated Vendor
Initial Inventory (7)	$3,000	$5,000	Lump Sum	Prior to Opening Center	Our affiliate, MyoFX
Technology Fee – initial payment	$1,000	$1,000	Lump Sum	Upon Signing Franchise Agreement	Us
Grand Opening Marketing	$5,000	$5,000	Lump Sum if paid to us; As Incurred if paid to others	Prior to Opening Center	Us or Third Party Vendors
Video Training (8)	$350	$350	Lump Sum	Prior to Opening	Third Party Vendor
Permits and Licenses (9)	$3,000	$10,000	As Incurred	Prior to Opening	Government Agencies
Signage	$6,000	$8,000	As Incurred	Upon Invoice	Suppliers

Insurance, Miscellaneous Deposits and Prepaid Expenses (10)	$6,000	$10,000	As Incurred	Prior to Opening	Suppliers, Utilities, Etc.
Additional Funds – Six Months (11)	$50,000	$75,000	As Arranged	As Incurred	Employees, Suppliers, Utilities
TOTAL	**$311,850**	**$418,850**			

Notes:

(1) See Item 5 for details on the initial franchise fee. The chart assumes the military veteran discount does not apply. You must pay the initial franchise fee when you sign the Franchise Agreement and prior to opening your Center. It is not refundable for any reason.

(2) You must pay for the expenses of attendance, such as lodging, meals, transportation and wages of trainees. Each Center must have at least one trained and certified manager. The cost will depend on the distance you travel, type of accommodations you choose, the number of your employees attending training, and their wages. More than three trainees will increase these expenses and cost additional fees of $500 each per week.

(3) We assume you will lease the premises for your Center. As of the date of this disclosure document, landlords typically require payment of the first month's rent plus a deposit equal to two months' rent. The levels of rent vary widely from area to area and for different locations within the same area. A new Center must have 2,800 to 6,000 square feet of indoor space, typically in a light industrial center with large doors that open to the outside. A location within a large shopping center may be smaller, but will require higher rent. You should investigate all these costs in the area, and for the specific site where you wish to establish your Center.

(4) You will follow our standard development procedures and adapt them to meet the specific requirements of your location. The Manual contains a list of mandatory items for new Centers with instructions for site variations. Your landlord may be willing to contribute to the cost of constructing or remodeling your Center.

(5) The estimate in the chart is the total of the items listed below:

Architect	$6,000 - $12,000
Graphics	$8,000 - $13,000
Millwork	$11,000 - $18,000
Flooring	$27,000 - $39,000
Computers/Scale	$8,000 - $9,000
Audio/Lighting	$17,000 - $23,000
Paint	$10,000 - $12,000

You will purchase these items directly from designated or Approved Suppliers, except that the designated vendor for millwork requires franchisees to purchase through us. The estimate for millwork includes a 10% mark-up that we charge for acting as the middleman. Costs vary widely from area to area and for different locations within the same area. You

should investigate all these costs in the area, and for the specific site, where you wish to establish your Center. Your landlord may be willing to contribute to the cost of constructing or remodeling your Center.

(6) The Equipment Pack includes most of the equipment you will need to start operating your Center. You will purchase the Equipment Pack from our designated vendor, which is currently Matrix Fitness. The current cost of the Equipment Pack is $48,000 plus applicable taxes, duties, shipping costs and delivery costs. You will order the Equipment Pack when you sign the Franchise Agreement. Unless the designated vendor offers you financing, you will pay the entire cost of the Equipment Pack at the time of delivery.

(7) The initial inventory consists primarily of supplements, accessories, apparel, and supplies. The amount will vary depending on the sales volume you anticipate as well as MyoFX's current prices at the time of your order.

(8) We require new franchisees to receive video training and materials from Scott Greenberg, an independent business consultant, to help with starting their business. You must pay Mr. Greenberg a fee for the video training and materials, currently $350. This fee is subject to change by Mr. Greenberg.

(9) You must obtain all necessary business permits, licenses and approvals to operate the Center. The costs of these licenses and other licenses and permits vary widely from area to area. You should contact an attorney and the government authorities in your area for information about the cost and level of difficulties in obtaining all necessary permits.

(10) An estimate for insurance costs is included in this amount. You should have funds for one year's estimated insurance premium for property and liability insurance. The cost of insurance varies depending on many factors. You should contact your insurance agent and obtain an estimate of your actual insurance costs. Please see Item 8 for our current insurance requirements.

(11) This is an estimate of additional funds you may need during the initial period of operation of the Center, which we define as six months from opening. New businesses often generate a negative cash flow initially, so additional funds may be needed to support on-going expenses such as payroll, rent, royalties, Marketing Fund contributions, inventory, utilities, and business licenses, to the extent that aggregate costs are not covered by your revenue. The estimate does not include any compensation that you may choose to pay yourself. We relied on our affiliate's experience in operating Company Centers when formulating the estimate for additional funds.

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YOUR ESTIMATED INITIAL INVESTMENT – Area Development Agreement

Item	Estimated Cost	Method of Payment	When Due	To Whom Paid
Development Fee (1)	$79,000	Lump Sum	When you sign Area Development Agreement	Us
Legal, Accounting and other Fees (2)	$1,500 to $3,000	As Arranged	As Arranged	Third Parties
Total (3)	**$80,500 to $82,000**			

Notes:

(1) The minimum number of Centers that you must develop is two, for which the Development Fee would be $79,000 (see Item 5).

(2) You may incur additional legal, accounting and other fees for reviewing the Area Development Agreement.

(3) In addition to the costs in this table, you will incur initial investment for each Center you develop under the Area Development Agreement. The total initial investment for a Center as of the date of this Disclosure Document is estimated in the previous table but is subject to inflation and other increases over time.

In general, none of the expenses listed in this Item are refundable, except that any security deposits you make may be refundable. We do not finance any portion of your initial investment.

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ITEM 8. RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

We have the right to require that all equipment, technology, inventory, supplies, signs, furnishings, fixtures, décor items, retail merchandise, payment systems, and other products and services that you purchase for use or resale in the Center: (a) meet specifications that we establish from time to time; and/or (b) be purchased only from vendors that we have expressly approved (**"Approved Suppliers"**); and/or (c) be purchased only from a single source (which may include us or our affiliates) at the then-current price. To the extent that we establish specifications, require approval of vendors, or designate specific vendors for particular items, we will notify franchisees via the Manual or other means.

For items not purchased from us or our affiliates, we specify in the Manual the Approved Suppliers of products and services that are required to be purchased or leased. We update our list of required items and Approved Suppliers as we deem necessary or appropriate. Approved Suppliers and specifications are determined based on the current needs for operating the Centers. We evaluate Approved Suppliers based on price, service, quality, and other commercially reasonable benchmarks. We have the right to limit the number of vendors and suppliers for products, goods, supplies, fixtures and equipment. We also have the right to designate a single source of supply for certain products. We or an affiliate may be that single source.

The following specific restrictions on your purchasing are in effect as of the issuance date of this disclosure document, but we can impose other restrictions at any time:

Items you must purchase from us or affiliates:

MyoFX Products. You must purchase proprietary nutritional supplements and THE CAMP-branded apparel (such as t-shirts, sweaters, leggings, shorts, and hats), accessories (shaker cups, towels, etc.), and related items from our affiliate, Myo Sports Nutrition, LLC. MyoFX is owned by Alejandra Font, our co-founder and co-CEO. You will spend at least $1,000 every three months on collateral merchandise, not including shipping, taxes, and duties (if any). Your ongoing expenditures on nutritional supplements for resale will vary as necessary to maintain the inventory we require. If you do not order the minimum amount of collateral merchandise we require, we will order collateral merchandise for your Center and MyoFX will ship the collateral merchandise to you and charge the amounts for collateral merchandise and shipping to your account.

Digital Marketing Management. You must obtain digital marketing management services from Social Inbound Marketing, LLC ("**SIM**"). SIM manages electronic media marketing, promotional campaigns, advertising placement, web support, web hosting, and call fire text systems for Centers operated by Franchisees. SIM will invoice you monthly for these services; the current monthly fee is $1,200 per Center. SIM is owned by Luis Font, our co-CEO. The vendor may change its prices and we may change vendors in the future.

Items you must purchase from designated third parties:

Equipment Pack. You must purchase the Equipment Pack from our designated vendor, which is currently Matrix Fitness. We are not affiliated with Matrix and none of our officers owns an interest in Matrix. The current cost of the Equipment Pack is $48,000 plus applicable taxes, duties, shipping costs and delivery costs. You must order the Equipment Pack when you sign the Franchise Agreement. Matrix may offer financing for your purchase through a relationship with a bank. If financing is not offered or you choose not to accept it, you will pay Matrix for the Equipment

Pack at the time of delivery. The vendor may change its prices and we may change vendors in the future.

Mobile App. You must use our Camp On Demand mobile app in the operation of your Center. You must pay a monthly fee to our third-party app developer to support the app. Currently, the support fee is $215 per month. Trainerize is the current designated app developer. Trainerize is not our affiliate and none of our officers owns an interest in Trainerize. The provider may change its monthly fee and we may change vendors in the future.

Sales and Lead Management. You are required to use the GymSales system for sales and lead management. Currently, GymSales' fee is $175 per month.

Information Systems. You are required to use the ABC point-of-sale (POS) system and the Unifi system for financial reporting. You must pay monthly fees directly to the owners of these systems. Currently, the license fees are $175 per month for ABC and $350 per month for Unifi. We are not affiliated with the vendors of the ABC point-of sale system or Unifi, and none of our officers owns an interest in these vendors. The vendors may change their monthly license fees and we may change systems and vendors in the future.

Music Subscription. You must obtain a music subscription service for the Center. Our preferred third-party vendor is Fitradio, but you can subscribe to a different service with our approval. We reserve the right to require you to use our designated vendor in the future.

Bookkeeping Service. We may require Franchisees who are new to The Camp to use a designated bookkeeping service for the first year of operation of the Center. As of the date of this disclosure document, we do not have a designated vendor for this service, but we are evaluating alternatives and we may designate a specific vendor at any time. If this requirement is applicable to you, you will pay a monthly fee directly to the service provider. After the first year of operation, you can switch to a different bookkeeping service, but your provider must be approved by us.

Items that must meet our specifications:

For the following items, we have not designated a specific source or vendor that you must use, but you must follow our specifications and/or obtain our approval of the vendor. As of the date of this disclosure document, they include:

Insurance. You must purchase insurance that meets our specifications. As of the date of this disclosure document, we require the following insurance:

(a) Comprehensive general liability insurance, including products liability coverage with minimum coverage of $1,000,000 per occurrence and $3,000,000 in the aggregate.
(b) Property insurance covering the perils of fire and extended coverage, vandalism and malicious mischief with coverage to be at replacement cost.
(c) Liability for owned, non-owned and hired vehicles with minimum coverage of $1,000,000 per occurrence and $3,000,000 in the aggregate.
(d) Umbrella liability insurance policy providing a minimum of $3,000,000 coverage including the above limits.
(e) Course of construction insurance at replacement cost.
(f) Workers' compensation insurance as required by applicable state law.
(g) Business interruption insurance (reasonable coverage and time limit).

Your obligation to maintain this insurance will not be limited in any way by reason of any insurance we carry for ourselves. We also require franchisees to be bonded for $50,000 or the minimum amount required by state law where the Center is located, whichever amount is greater.

Trainer certification. We may require that your fitness trainers be certified by a nationally-accredited organization such as NASM, ACE, NESTA, or ISSA. Each fitness trainer must meet all requirements for continuing certification. Fitness trainers typically pay for their own certification.

Lease. If you lease the site for your Center, you must submit the proposed lease to us for approval before signing it. As a condition of our approval, we may require that the lessor sign a Lease Rider in the form attached to the Site Selection Addendum (Attachment 3 to the Franchise Agreement).

* * *

We and our affiliates charge a markup and earn income on sales that we make directly to you. We may negotiate purchasing arrangements, including price terms, under which Approved Suppliers agree to make equipment, fitness accessories, apparel, merchandise, supplements, software and other goods and services available to franchised and Company Centers. Subject to applicable law, we and/or our affiliates may receive lower prices from the Approved Suppliers and/or earn money in the form of rebates, commissions, or other payments from the Approved Suppliers based on your purchases. Subject to applicable laws and our arrangements with the suppliers, we have no obligation to remit the funds to you. In the fiscal year ending December 31, 2025, MyoFX received revenues of $1,926,655 as a result of purchases by our franchisees, and SIM received revenues of $733,021 from purchases of digital marketing management services by our franchisees.

Other than as noted above, we do not currently negotiate purchasing arrangements with vendors on behalf of our franchisees, but we reserve the right to do so, including pricing terms. Our ability to negotiate and maintain arrangements with vendors may depend on the participation of as many THE CAMP TRANSFORMATION CENTER franchisees as possible. Accordingly, if we name a specific vendor for a product or service, you must obtain the product or service from that designated vendor. You must comply with the terms and conditions included in the contract with a specific vendor and, if applicable, through the purchasing arrangements and/or programs that we require.

We estimate that approximately 90-100% of your total purchases and leases in establishing your Center and approximately 90-100% of your total purchases and leases in operating the Center will be subject to at least one of the restrictions described in this item.

We do not currently have any purchasing or distribution cooperatives in our franchise system. Except as stated above, none of our officers own an interest in an Approved Supplier.

Vendor Approval Process

If you want to purchase items from a source that we have not approved, and the item is not one for which we have designated a specific source, you may request approval of the proposed source by submitting our Supplier Evaluation Form and paying our Supplier Evaluation Fee (currently $1,500). Based on the information and samples you supply to us, we may test the items supplied and review the proposed supplier's financial records, business reputation, delivery

performance, credit rating and other information. We are not required to make available to you or any supplier our criteria for product or supplier approval. We will complete our review promptly, generally within 90 days. Our failure to approve or disapprove a proposed supplier within 90 days will be deemed disapproval.

We have the right to revoke approval of particular suppliers if we determine that their products or services no longer meet our standards. Upon receipt of written notice of revocation, you must stop buying from the disapproved supplier. In addition, if we revoke our approval of the products because they fail to meet our standards, you may be required not to use your remaining inventory of those products.

We do not provide material benefits (for example, renewal or granting additional franchises) to a franchisee based on a franchisee's purchase of particular products or services or use of designated or approved suppliers.

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ITEM 9. FRANCHISEE'S OBLIGATIONS

This table lists your principal obligations under the Franchise Agreement ("FA") and the Area Development Agreement ("ADA"). It will help you find more detailed information about your obligations in these agreements and in other items of this franchise disclosure document.

Obligation	Section in Agreement	Item in Disclosure Document
a. Site selection and acquisition/lease	FA: §1.3, 6.3, Attachment 3 ADA: §§1.1, 4.2	Items 1, 11
b. Pre-opening purchases/leases	N/A	Items 7, 8, 11, 16
c. Site development and other pre-opening requirements	FA: §§4, 5 ADA: §§1, 2, 4	Items 1, 5, 7, 11, 12, 15
d. Initial and ongoing training	FA: §5 ADA: §4	Items 1, 11, 17
e. Opening	FA: §7.8 ADA: §2	Items 5, 7, 11
f. Fees	FA: §§2, 3.2, 4.1, 4.8, 5.6, 11.5, 16.6 ADA: §§3, 4.3, 5.2(c), 6.2(e)	Items 1, 5, 6, 7, 17, 19
g. Compliance with standards and policies/Manuals	FA: §4 ADA: §4.1	Items 1, 11
h. Trademarks and proprietary information	FA: §§4.5, 14 ADA: §4.4, 8.3	Items 13, 14
i. Restrictions on products & services offered	FA: §§4.4(a), 4.7, 4.8 ADA None	Items 8, 16
j. Warranty and customer service requirements	FA: §§4.3 ADA: None	Item 1
k. Territorial development and sales quotas	FA: §§1.2 ADA: §§1.1, 2, 4	Items 1, 12

Obligation	Section in Agreement	Item in Disclosure Document
l. Ongoing product/service purchases	FA: §§4.6, 4.7, 4.8 ADA: None	Items 8, 16
m. Maintenance, appearance & remodeling requirements	FA: §§ 4.3 4.4, 4.6, 6 ADA: None	Item 17
n. Insurance	FA: §11 ADA: None	Item 7
o. Advertising	FA: §7 ADA: None	Items 6, 7, 11
p. Indemnification	FA: §10.2 ADA: None	Item 13
q. Owner's participation/ management/staffing	FA: §§4.2, 4.9, 4.10, 9.4, 13.2 ADA: §§8.4, 8.5	Item 15
r. Records/ Reports	FA: §§8, 9.3, 9.4 ADA: None	Items 6, 11
s. Inspections/Audits	FA: §9 ADA: None	Item 17
t. Transfer	FA: §13 ADA: §§1.6, 1.7	Items 6, 17
u. Renewal	FA: §3.2 ADA: 1.2, 6	Items 6, 17
v. Post termination obligations	FA: §§4.9(f), 15 ADA: None	Item 17
w. Non-competition covenants	FA: §4.9 ADA: §8	Items 5, 17
x. Dispute resolution	FA: §§16.5, 16.7 ADA: §9	Item 17
y. Personal guarantee	FA: Attachment 2 ADA: §8.2	Item 15

ITEM 10. FINANCING

We do not offer direct or indirect financing. We do not guarantee your note, lease or other 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. Before you open your Center, we will:

1. Assist you in finding a site for your Center (Franchise Agreement, Section 1.3 and Site Selection Addendum). See "Site Selection" below.

2. Review your plans for the design of your Center and approve them if they meet our standards and specifications. We will provide you with a design guide based on our standards. However, you are responsible for conforming the premises to applicable building codes and local ordinances. (Franchise Agreement, Section 1.3).

3. Arrange for you to buy the Equipment Pack from our designated vendor. (Franchise Agreement, Section 4.10)

4. Provide you with access to our confidential Manual, which contains our mandatory and suggested specifications, standards, operating procedures and rules (Franchise Agreement, Section 4.4).

5. Conduct an operations training course for you and your Designated Operator (Franchise Agreement, Section 5.1).

6. Set up access to our training platform and any other software, technology, and related services supported by the Technology Fee. (Franchise Agreement, Section 2.1)

7. Carry out pre-opening and grand opening promotions and marketing activities on your behalf, if we require you to pay the Grand Opening Fee to us. (Franchise Agreement, Section 7.2)

8. Help you prepare for opening your Center. We will provide you with an opening guide and opening checklist to follow. (Franchise Agreement, Section 4.1). Although we are not contractually obligated to do so, we may also provide lead generation and calls with our sales team to help you achieve your required member pre-sales.

Post-opening. After your Center opens, we will:

1. Be available to assist with operations for the first month of business, as reasonably needed in our opinion (Franchise Agreement, Section 4.1).

2. Provide you with ongoing access to our training platform and any other software, technology, and related services supported by the Technology Fee. (Franchise Agreement, Section 2.1)

3. Make available additional training programs as we deem appropriate (Franchise Agreement, Section 5.5).

4. Administer the Marketing Fund, once established (Franchise Agreement, Sections 7.4 and 7.5).

5. Review advertising and marketing content and materials that you submit for our approval, and approve the material if it meets our standards. (Franchise Agreement, Section 7.8)

6. Include information about your Center on our website and social media channels (Franchise Agreement, Section 7.9).

7. Make periodic calls or visits to your Center to review and consult with you about operations, as we deem advisable (Franchise Agreement, Section 9.2).

We have no contractual obligation to provide assistance regarding other necessary equipment, signs, fixtures, opening inventory, and supplies. We do not deliver or install these items.

Site Selection

If the address of your Center has not been determined as of the time of signing the Franchise Agreement, you must sign the Site Selection Addendum (Attachment 3 to the Franchise Agreement), which will govern the site selection process. You must submit a proposed business location for your Center within 90 days after signing the Franchise Agreement. The proposed site must be within the geographic area defined in the Site Selection Addendum (the "Search Area"). The Search Area is not exclusive to you; other franchisees may search for proposed sites at the same time within the same area. We do not lease premises to franchisees.

You must submit all information and materials we reasonably require for review of the proposed site, including (1) a letter of intent or other evidence that confirms your favorable prospects for obtaining control of the proposed site, and (2) a description and/or photographs of the proposed site and information as to accessibility, visibility, potential traffic flows, other demographic information, and lease terms. In reviewing a proposed site, we will consider market factors such as potential customer density levels, area demographic information, traffic patterns of the area, and the proximity and potential impact of the proposed site on existing Centers and/or those planned or in development. We will also consider the specific size, parking, and other physical characteristics of the proposed site itself. We will conduct an on-site evaluation of the proposed site, unless we waive this requirement in our sole discretion. We will communicate our acceptance or rejection of the proposed site within 30 days after conducting the on-site evaluation or receiving all information and materials requested for the site review, whichever is later. No proposed site is approved unless an authorized officer of The Camp Franchise Systems, LLC has expressly approved it in writing. Our review is solely for the purpose of determining whether your proposed site is within our brand criteria for a Center. Our approval of the site is not a representation or guarantee of the viability, likely success, or profitability of a Center at that location.

If you have not obtained our approval of a business location for your Center within 9 months after signing the Franchise Agreement, we will have the right to terminate the Franchise Agreement.

If you will occupy the site under a lease, you must submit the proposed lease to us for approval before signing it. As a condition of our approval, we may require that the lessor sign a lease rider containing some or all of the provisions set out in the Lease Rider attached to the Site Selection Addendum. You must send us a copy of the signed lease and lease rider within 10 days after you sign them.

If you sign an Area Development Agreement, for each Center that you are required to develop under the Development Schedule, you will be responsible for locating and securing a site that we find acceptable. The procedures described above will apply. If you fail to meet a deadline of the Development Schedule, either because you and we do not agree on the site for a Center or for other reasons, you will be in default under your Area Development Agreement, for which we may terminate the Area Development Agreement.

Time Before Opening

You must open the Center for business to the public within 18 months after signing the Franchise Agreement for the Center. The typical length of time between signing the Franchise Agreement and opening a Center is expected to be approximately 180 days. However, you may not open your Center until you have (i) sold a minimum number of memberships to establish an initial client base; and (ii) conducted at least 14 weeks of pre-opening marketing. As of the date of this disclosure document, we require 150 memberships before opening; however, we reserve the right to change this number and it may be higher or lower when you sign your Franchise Agreement.

You must adapt our prototypical architectural and design plans ("**design plans**") as needed for the construction of your Center and provide them to us within 10 days after you acquire the site. We have the right, but not the obligation, to review your design plans. We will use reasonable efforts to approve or reject the design plans within 10 days after we receive them. If we object to any of the submitted design plans, we will provide you with a list of changes necessary to make the design plans acceptable. You will re-submit revised design plans, and we will use reasonable efforts to either approve or reject the revised design plans within 10 days after we receive them. You must obtain our prior written approval of any proposed changes to design plans that we previously approved. You may not remodel or make significant modifications to the Center without our prior written approval.

The length of time until opening will also be affected by factors such as difficulties in concluding the lease for your approved site, obtaining financing arrangements, building or sign permits, completing modifications to the approved location to accommodate your Center, and delays caused by zoning or local ordinances, weather conditions, labor strikes, shortages of products and installation of equipment, fixtures and signs.

Advertising and Marketing

We, our affiliates, or approved vendors will develop marketing, promotion, and advertising programs designed to promote THE CAMP TRANSFORMATION CENTER® businesses. Your participation in all such advertising and sales promotion programs must comply with any terms and conditions we establish.

We will provide you with access to advertising and marketing materials and services. We currently conduct marketing at a trade area level to encourage visits from potential, as well as

prior, customers. We may also use premium incentives and product awareness campaigns in advertising and promotion. Advertising media may include print, Internet, vehicle wraps, fundraisers, public relations campaigns and radio or television (primarily local in scope). Whenever possible, the material is produced in-house or provided by vendors. We have no obligation to spend any specific or minimum amount in the area around your Center.

You may develop advertising materials for your own use at your own cost. All advertising materials must be approved by us in advance and in writing. Approval takes between 30 and 60 days. If we do not approve or disapprove of your advertising materials within 60 days, then such materials will be deemed disapproved.

To the extent permitted by applicable law where the Center is located, we have the right to establish maximum and/or minimum prices that you must follow for products and services. We may also provide suggested prices that you are not required to follow. In the case of suggested prices, you are responsible for any additional costs that you or we incur to produce marketing and promotional materials for you containing prices deviating from those we suggest.

You must participate in and comply with the terms of special promotional activities that we prescribe for Centers generally or in specific geographic areas. These activities may include special offer, limited time offer, digital coupon, free giveaway, and other pricing promotions, and the featured price(s) may be less than your cost for the promoted item(s). You must display promotional signs and materials and otherwise participate in the manner we request.

All of your advertising, promotion and marketing must be completely clear and factual, not misleading, and conform to the highest standards of ethical marketing and promotion policies. You must submit samples of all advertising, promotional and marketing materials (including Internet or electronic media marketing material) for our prior written approval. You must only use advertising copy and other materials which are in strict compliance with our requirements, as set forth in the Manual or otherwise.

There are no restrictions on your advertising, except that you may not advertise independently on the internet or in social media using our marks, and your advertising must be approved by us, as stated above. You must participate in our “eclub” marketing campaigns, Gift Card program, Loyal Customer program, and similar marketing programs as they are developed.

Grand Opening Marketing. We may require you to pay the $5,000 Grand Opening Fee to us or our affiliates for promotions and marketing activities that we will carry out on your behalf during the time period from 14 weeks before your Center opens until 14 days after your Center opens. Alternatively, we may require you to spend a minimum of $5,000 directly for the applicable promotions and marketing activities, including with third parties that we designate

Local Marketing. After opening, you must continuously conduct local advertising and promotion of your Center in its trade area. Our current Local Marketing program is specified in the Manual and utilizes Facebook and may use other social media platforms for promotions, campaigns and various marketing programs. Although not required as of the date of this disclosure document, we can require you to spend (or pay to us) the greater of 2% of Gross Sales or $3,000 per month for Local Marketing. If we make this an obligation, it will be in addition to the fees you pay for digital marketing management described in Item 6 and below.

Digital Marketing. Currently, our Approved Supplier for digital marketing management is SIM. SIM manages electronic media marketing, promotional campaigns, advertising placement,

web support, and web hosting for Centers operated by Franchisees. SIM's monthly fee is $1,200 per Center as of the date of this disclosure document. Our co-CEO, Luis Font, is the owner of SIM.

Advertising Cooperatives. The Franchise Agreement gives us the power to form, change, dissolve or merge advertising cooperatives for groups of Centers. We will determine the area of each Advertising Cooperative ("**Ad Co-op**"). If an Ad Co-op is established for the area where your Center is located, you must join, actively participate in, and contribute to the Ad Co-op as we designate, which is in addition to your contributions to the system wide Marketing Fund discussed below. Payments to the Ad Co-op will be applied to your Local Marketing obligation. The Ad Co-op members may agree to additional funding in accordance with its established bylaws. Any Company Centers in the area will also join and contribute to the Ad Co-op at the same rate as franchisees.

Each Ad Co-op will be organized and governed in a form and manner and will operate according to written governing documents, all of which must be approved in advance by us. If applicable, a copy of the governing documents for your area will be provided upon written request. We will oversee each Ad Co-op. If you are in default of the Franchise Agreement, you will not have voting privileges. The Ad Co-op may prepare annual or periodic financial statements and these will be available to members on request.

Marketing Fund. If and when we notify you that we have established a Marketing Fund, you must contribute up to 2.5% of your Center's Gross Sales. We will establish the Marketing Fund when we determine that it is appropriate to do so. Either we or our affiliate will administer the Marketing Fund.

The Marketing Fund will be used to develop, produce and administer marketing programs designed to increase sales for all Centers system-wide. Advertising may be in the form of print ads, radio, television or digital media and may be conducted on a regional and/or national basis. We may use a national or regional advertising agency or in-house staff to create and place advertising. All interest earned on monies contributed to the Marketing Fund will be used for the same purpose. Marketing Fund contributions will not be targeted to advertise or sell franchises.

The purpose of the Marketing Fund will be to develop advertising and marketing programs that will benefit all Centers wherever located. We cannot ensure that the Marketing Fund's expenditures will be equally beneficial or proportionate to each Center's contributions. We will account for monies in the Marketing Fund separately from our other amounts received. Money from the Marketing Fund may be used to pay us for the reasonable salaries, administrative costs, travel expenses and overhead incurred in the administration of that Fund and its programs. We will prepare an annual unaudited statement of monies collected and expenditures of the Fund and provide it to you. The Centers operated by TCB will contribute to the Marketing Fund at the same rate as Franchisees.

As of the issuance date of this disclosure document, there is no advertising council composed of franchisees that advises us on advertising policies. We may seek the advice of franchisees by formal or informal means with respect to the creative concepts and media used for programs financed by the Marketing Fund. However, we will retain final authority on all programs financed by the Marketing Fund.

Technology Requirements

You must pay us the annual Technology Fee for access to our online training platform and other software, technology, and related services that will vary from time to time. (See Items 5 and 6.) The Technology Fee is currently $1,000 per year, but we reserve the right to adjust the Technology Fee annually, up to a maximum of $1,500 per year.

Your Center must have a POS system, customer relationship management (**"CRM"**) system, financial reporting system, and other systems as specified in the Manual. Currently, we require the ABC point-of-sale (POS) system and the Unifi system for financial reporting, and we require the GymSales system for sales leads. You are required to use these systems to complete all sales transactions and provide sales, accounting, and inventory reports. The current monthly license fees are $175 for ABC, $175 for GymSales, and $350 for Unifi. These amounts may increase and we may change systems or vendors in the future.

Your computer equipment and Internet connection must be sufficient to support the required systems and to access our online training and intranet portal. Your Center must also have one or more modems, computerized safe systems, and a telephone answering machine capable of voice mail recovery. The system components you will need are not proprietary to us or our affiliates, and we are not obligated to provide or assist you in obtaining them. The purchase cost is estimated at $5,000 to $12,000 per Center and is included within the figures in Item 7. We may require you to upgrade or update your equipment, such as the computers, other hardware, programs, and telephone system, with reasonable limitation on the frequency or cost of this requirement. You are responsible for installing a broadband hook-up and other utilities for the Center.

You will be responsible for all ongoing maintenance and repairs of your systems. We estimate your annual maintenance costs will be $1,500 to $3,000 per Center.

You must use our Camp On Demand mobile app in the operation of your Center. You must pay a monthly fee to our third-party app developer to support the app (see Item 8). Trainerize is the current designated app developer. Trainerize is not our affiliate. The provider may change its monthly fee and we may change vendors in the future.

We will have independent access to the information that will be generated or stored in your Center's POS, CRM, and financial reporting systems and on the Camp On Demand app. There are no contractual limitations on our right to access this information.

Confidential Manual

The table of contents of the Manual appears in Exhibit C of this disclosure document. As of the date of this disclosure document, the Manual has approximately 307 pages.

Training

The following chart outlines our Initial Training Program:

TRAINING PROGRAM

SUBJECT	CLASSROOM HOURS	HOURS OF ON THE JOB TRAINING	LOCATION
Welcome Culture/Core values Customer service	6	6	Classroom Hours at Home Office On the Job Hours at Center operated by TCB
Programs - Memberships & Challenges Sales Presentation	6	6	Classroom Hours at Home Office On the Job Hours at Center operated by TCB
Products Product Sales Presentation Billing Nutrition	6	2	Classroom Hours at Home Office On the Job Hours at Center operated by TCB
Contract Processing Visitor Verification Membership and Promotions Procedures - admin/weigh-in/challenge options	12	2	Classroom Hours at Home Office On the Job Hours at Center operated by TCB
Trainers & Assistant Trainers Gym set-up Class set-up Shift Positions	12	2	Classroom Hours at Home Office On the Job Hours at Center operated by TCB
Onsite training		2	Center operated by TCB
Total	**42**	**20**	

The materials used in our Initial Training are the Manual and other materials such as various videos. We may modify our training programs at any time. We may develop audio-visual and other training materials and offer them to you at a reasonable charge. All instructors have at least 2 years of experience in Center operations with us or in the fitness industry.

Your Designated Operator and at least one owner must attend and successfully complete our Initial Training. We can terminate the Franchise Agreement for failure to successfully complete this training course. We will conduct the Initial Training in one of TCB's Centers and in our home office located in California one to three months before your Center opens. It must be successfully completed no later than one week before your Center opens. We expect to conduct these training

courses several times each year. The actual training hours will depend on the trainee's prior experience and his or her ability to pass any written and/or practical exams to our reasonable satisfaction.

If you operate 3 or more Centers, you may apply to offer training at your own training facility. We may certify you for training if you meet our standards, your training facility has been certified by us, and your designated training manager has been certified by us. You must reimburse us for the travel, living and other expenses Incurred in evaluating your facility and your training manager.

We may require that you and your personnel complete ongoing, online training on a schedule we determine. Other than the annual Technology Fee, there is no fee for required online training. You will also attend bi-weekly calls with our franchise business coach as part of ongoing training.

We may require you to pay a reasonable fee for any in-person training we conduct at your location. Currently, our on-site training fee is $500 per day. For all training, whether mandatory or optional, you must pay for all travel, lodging and food costs for your personnel (and for our trainer, if on-site at your location).

We require that at least one person (i.e., you or your Designated Operator or your General Manager) attend a conference we hold once per year. You will pay us an annual Conference Fee of up to $500 per person, whether or not you attend. You will also be responsible for covering all costs and expenses incurred by you and your personnel to attend the conference. If you fail to attend a required conference, you will not receive a refund of the Conference Fee.

ITEM 12. TERRITORY

You must operate the Center at a specific location selected by you and approved by us. You may not relocate the Center without our prior written approval. A request to relocate your Center typically will be either approved or denied within 90 days of our receipt of all relevant information. We may approve the relocation of your Center in certain limited circumstances, such as loss of the location due to condemnation, eminent domain, destruction, or loss of your right of possession for reasons not caused by you.

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

We reserve all rights not expressly granted in the Franchise Agreement. The Franchise Agreement does not restrict us or our affiliates from operating or authorizing others to operate other franchised or company-owned fitness centers or other channels of distribution, at any location, under THE CAMP TRANSFORMATION CENTER name or any other name. Neither we nor any affiliate has established or presently intends to establish fitness centers under a different trade name or trademark, but we reserve the right to do so.

We can establish a Center or other outlet under THE CAMP TRANSFORMATION CENTER name at any location. You will not have any exclusivity for marketing in the area around your Center or with respect to members or potential customers located in that area. Customers are free to visit or join any Center, regardless of where they live or work. We may also locate

Centers in "**Non-Traditional Venues**," which means a site or location for which the lessor, owner or operator has indicated its intent to limit the operation of its service facilities to itself or a service provider, and which site or location is either (i) within another primary business, or (ii) at an institutional setting such as a school, college and university, military and other governmental facility, hospital, hotel, limited access highway, shopping mall, airport, toll road, office or in-plant facility, sports arena and stadium, supermarket, grocery store or convenience store.

We have the sole and exclusive right to create, produce and distribute online live and recorded workouts for fitness customers under the THE CAMP TRANSFORMATION CENTER name. We also have the sole and exclusive right to produce, license, distribute and market products (such as nutritional/healthy products, weight control products, supplements, food and beverages, other pre-packaged products, books, clothing, souvenirs and novelty items) and services using the Marks or other marks, through any outlet anywhere, and through any distribution channel, at wholesale or retail, including by means of the Internet, mail order catalogs, direct mail advertising and other distribution methods. We are not required to compensate you if we solicit or accept orders from customers in the area of your Center.

There is no restriction on the customers to whom you may sell goods and services at your Center. However, you do not receive rights to create, produce or distribute online live and recorded workouts or other digital content or services for fitness customers or to use our name or trademarks to distribute products or services other than through the Center.

The license granted to you specifically excludes any right or authority to pre-package or sell other products under the Marks. Accordingly, you cannot use other channels of distribution, such as the Internet, catalog sales, telemarketing, or other direct marketing, to solicit or accept orders from consumers without our prior written consent.

The Franchise Agreement does not grant you any options, rights of first refusal, or similar rights to acquire additional Centers.

You must satisfy a minimum sales requirement of $30,000 per month, starting 12 months after the opening of your Center (the **"Minimum Sales Requirement"**). If you do not achieve the Minimum Sales Requirement in 3 consecutive months, we can give notice of potential termination of the franchise, require the Designated Operator to meet with our management team to develop action items for improving performance, and/or require you to attend re-training at our support center. You will have 6 months from receipt of our notice of potential termination (the **"Probation Period"**) to achieve the Minimum Sales Requirement. If you do not satisfy the Minimum Sales Requirement by the end of the Probation Period, we will have the right to terminate the Franchise Agreement with no further opportunity to cure. The Minimum Sales Requirement is not a representation or guarantee of performance or financial results of the Center.

Area Development Agreement.

You will not receive an "exclusive" territory under the Area Development Agreement. You may face competition from other franchisees, from outlets that we own, or from other channels of distribution or competitive brands that we control. However, during the term of the ADA, we will not license or allow any other party to open a THE CAMP TRANSFORMATION CENTER business within your designated development area (the "**Development Area**"), except for Centers at Non-Traditional Venues, as defined above.

If we acquire any other fitness centers with the intention of converting them to Centers using our Marks, you will have a right of first refusal to purchase and convert any of those centers that are within the Development Area.

For each Center that you are required to develop under the Development Schedule, you will be responsible for locating and securing a site that we find acceptable. We will furnish you with our general criteria for site selection and with site selection counseling and assistance as we deem appropriate. Before acquiring a site by lease or purchase, you must submit any information and materials we request to evaluate the site, along with a letter of intent or other evidence of your ability to obtain the site. We will evaluate and approve or disapprove the proposed site for each new Center you plan to open under the ADA using our then current site selection criteria. At the time you propose a specific location, you must demonstrate satisfaction of our then-current financial and operational criteria for expansion to an additional Center. If we approve the location and you obtain control of it by lease or purchase, you must sign a separate Franchise Agreement for the location, along with a release of claims.

Your rights within the Development Area are contingent on meeting the Development Schedule. The Development Area is defined for the sole purpose of reserving the area in which you can look for sites to develop Centers during the period covered by the Development Schedule. The Development Area expires and ceases to exist at the earlier of: (i) when you complete the Development Schedule, or (ii) termination of the Development Agreement for any reason, including your failure to meet a deadline in the Development Schedule. When the Development Area expires, you retain only the territorial protection granted under the Franchise Agreements you have signed, if any; and we will be free to establish, and to franchise others to establish, Centers at any location in the former Development Area, except as provided under the terms of any Franchise Agreement that remains in effect between us and you.

If you successfully complete the Development Schedule (i.e., you open the minimum number of Centers required by the Development Schedule), then for a period of time after the Development Area expires, you will have a right of first refusal for the development of any new Centers in the former Development Area. We will notify you in writing of our determination that one or more additional Centers should be developed in the former Development Area and offer you the right to develop the Center(s). If we do not receive your written exercise of the right of first refusal within 30 days after we transmit our notice, we can proceed with developing the Center(s) within the former Development Area or authorize others to do so.

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ITEM 13. TRADEMARKS

You will receive the right to operate a Center under the name THE CAMP TRANSFORMATION CENTER. You may also use other current or future Marks we designate. The following Marks have been registered on the Principal Register of the United States Patent and Trademark Office (USPTO):

Mark	Reg. Date	Reg. Number
The Camp Transformation Center	9/29/15	4821506
	9/29/15	4822103
THE CAMP TRANSFORMATION CENTER	7/12/22	6787433
	7/12/22	6787457

These Marks are owned by our affiliate, The Camp Bootcamp, Inc. (**"TCB"**). All affidavits required to date for these Marks have been filed.

You must follow our rules when you use any of the Marks. TCB has granted us a license to use the Marks and to sublicense others to use them. The term of the license agreement is 99 years. TCB may terminate our license agreement for cause if we commit and do not cure defaults under the license agreement. Our franchisees will automatically become direct licensees of TCB if our license terminates for any reason.

You may not use any of the Marks alone or with modifying words, designs or symbols as part of a corporate name or in any form on the Internet, including, but not limited to URLs, domain names, email addresses, locators, links, metatags or search techniques, except as we license to you or otherwise authorize in writing. You may not use any of the Marks in connection with the sale of an unauthorized product or service or in a manner not authorized by us in writing. Guidelines regarding proper trademark use and notices are set forth in the Manual and will be updated from time to time.

With the exception of our license agreement with TCB described above, there are no agreements that limit our right to use or franchise the use of the Marks. We do not know of any infringing uses that could materially affect your use of the Marks. There are no currently effective material determinations of the USPTO, the Trademark Trial and Appeal Board, the trademark administrator of any state, or any court, and no pending infringement, opposition, or cancellation proceeding, or any pending material litigation, involving the Marks.

You must notify us immediately after learning about an infringement of or challenge to your use of the Marks. We will take the action we think appropriate to protect the integrity and validity of the Marks. We are not required to take any specific action in regard to infringements involving the Marks. We have the sole right to control administrative proceedings or litigation regarding any trademark infringements. We will defend you and indemnify you if you are a party to a legal proceeding involving a Mark licensed by us, and used properly by you.

You must modify or discontinue the use of a trademark if we modify or discontinue it. We do not have to reimburse you for any related expense required by the modification or discontinuance. You must not contest our right to the Marks, trade secrets or business techniques.

ITEM 14. PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

There are no patents or patent applications that are material to the franchise.

We and our affiliate, TCB, claim a proprietary interest in the trade dress of Centers. We also claim copyright protection for certain materials (the "**Works**"), which include, but are not limited to, our website, mobile app, advertisements, promotional materials, signs, and posters; the Manual and related manuals; training materials; challenge programs and exercises; advertising materials, and our facility designs, plans and specifications. Neither we nor TCB have registered the copyrights in any of the Works. We may register the copyright in any of these materials in the future. You can use the Works only for the purpose of establishing and operating your Franchise. The Manual will remain solely our property. You must keep in a secure place on the Center premises.

We also claim proprietary rights in all Confidential Information, which is defined in the Franchise Agreement as all knowledge and data not generally known to the public, whether or not constituting trade secrets, that we disclose to you and/or the Principals and Designated Operator or that you or they obtain by virtue of the Franchise Agreement or any activities under

it. Confidential Information specifically includes, but is not limited to: (i) methods, techniques, specifications, standards, policies, procedures, and design and layout plans relating to the construction and operation of Centers; (ii) our exercise program design and instructional techniques; (iii) requirements for instructor certification, certified trainer lists, and training materials for obtaining certification; (iv) membership records and other customer data; (v) mailing lists, prospect lists, marketing studies, and marketing and promotional techniques; (vi) designs, formulations, and/or methods of preparation for any proprietary products developed by us or our affiliates; (vii) operating results, financial performance and other financial data of the Centers, other than your Center; (viii) the contents of the Manual and our franchisee training programs and materials; (ix) equipment and inventory requirements and specifications; (x) supplier lists, terms of purchase, and other information concerning the selection and sourcing of equipment, products and supplies; (xi) research and development, test results, and feasibility studies; and (xii) business plans and non-public financial information about us and our affiliates.

You must maintain absolute confidentiality of the Confidential Information both during the term and after the expiration or termination of the Franchise Agreement. You have the right to use the member data and our other Confidential Information only in connection with the Franchise while the Franchise Agreement is in effect. When the contract ends for any reason, you must stop using the Confidential Information, return all materials in your possession or control that contain Confidential Information, and delete all such materials from all of your systems and devices. Within 5 business days, you must deliver to us: (i) full contact details and membership agreements for all members at the Center; and (ii) the names of all other persons who have inquired about membership and/or challenges within the previous 6 months. You may not retain or use any data derived from the member contracts, sell or transfer any such data to any other person, or share such data with any other person, including any person that is an affiliate or owner of Franchisee or a family member of an owner. Since your business relationship with members is attributable solely to the Marks and the goodwill associated with the Marks, all such business relationships with all members remains our exclusive property on expiration or termination of the Franchise Agreement.

If you or any Principal, employee or agent develops an Improvement, as defined below, you must promptly notify us and provide us with all related information, without compensation. "**Improvement**" means any change, idea, innovation, new concept (including any advertising slogan or idea), product, or process that may enhance or improve the System, whether or not protectable and whether created by or for you or your owners or employees. Any Improvement you develop is our property, and at our request you must sign all documents necessary to verify assignment of the Improvement to us. We will have the unrestricted right to use, disclose and/or license the Improvement for use by others.

ITEM 15. OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS

You or the Designated Operator must directly supervise and participate in the actual day-to-day operation of the Center. Your Center must at all times have an on-site manager approved by us and certified as designated in the Manual.

The Designated Operator must successfully complete our training program. If the Franchisee is a business entity, we do not require that the Designated Operator own an equity interest. Neither you nor your Designated Operator may have an interest in or business relationship with any business offering the same or similar health and fitness and/or weight control

services or goods as a typical THE CAMP TRANSFORMATION CENTER® business, whether in person, online, or through other media.

If the Franchisee is a legal entity such as a corporation, partnership or limited liability company, you must designate one of your owners as the "Authorized Agent" who has full authority to act on behalf of Franchisee and the Principals in regard to performing, administering or amending the Franchise Agreement and Area Development Agreement. All of your owner(s) and their spouses must personally guarantee the Franchise Agreement and, if applicable, the Area Development Agreement. We have the right to approve all owners and any future owners.

ITEM 16. RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You may offer only the types of membership (number of visits, monthly, annual, single-location, etc.) that we prescribe and no other membership types without our prior approval. We may establish minimum pricing separation between membership categories, maximum prices for particular membership types, and other membership pricing policies. Subject to applicable law where the Center is located, you agree to follow our membership pricing policies.

All individuals who will lead fitness training in the Center must meet our requirements. We may also require that your fitness trainers be certified by a nationally-accredited organization such as NASM, ACE, NESTA, or ISSA. You may not permit any uncertified individual to lead fitness training in the Center. You must comply with any standards we establish for the ratio of fitness trainers to class size and/or to total membership of the Center.

You may offer and sell only those services and products that we have approved for sale in the Centers. You must offer all products and services that we designate as required. These required products and services are described in the Manual. You must obtain our prior written approval for any other products and services to be sold by your Center. If you propose an additional product or service, you must submit it to us for approval before offering it in your Center. We may approve it initially for testing only. All proposals approved by us will become our property.

You do not receive rights to create, produce or distribute online live or recorded workouts or other digital content or services for fitness customers or to use our name or trademarks to distribute products or services other than through the Center. The license granted to you also excludes any right or authority to pre-package or sell other products under the Marks. Accordingly, you cannot use other channels of distribution, such as the Internet, catalog sales, telemarketing, or other direct marketing, to solicit or accept orders from consumers.

We may change the types of authorized products and services that you are required or have the option to offer from your Center. There are no limits on our right to make changes in the authorized products and services. If we authorize you to offer online live or recorded workouts or other digital services for fitness customers, you may offer only the content created, produced and distributed by TCB and its affiliates.

ITEM 17. RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

THE FRANCHISE RELATIONSHIP

The tables list important provisions of the franchise and related agreements. You should read these provisions in the agreements attached to this disclosure document.

FRANCHISE AGREEMENT		
Provision	**Section**	**Summary**
a. Length of the franchise term	FA: §3.1	Initial term ends 10 years from the date on which your Center opens to the public (for a new Center) or 10 years from the date on which you take ownership (if you acquire an existing THE CAMP TRANSFORMATION CENTER location).
b. Renewal or extension of the term	FA: §3.2	You can renew the franchise for two additional 5-year terms, if certain conditions are met.
c. Requirements for franchisee to renew or extend	FA: §3.2	Conditions include 6-12 months' notice, no defaults during last 12 months, consistently met Minimum Sales Requirements during the expiring term, compliance with Franchise Agreement and other agreements during expiring term, satisfied all monetary obligations owed to us and affiliates, complete any required additional training, modernize the Center and equipment, pay renewal fee, sign then-current form of Franchise Agreement, and sign general release. The Franchise Agreement you sign at renewal may contain terms that are materially different from those of your expiring Franchise Agreement.
d. Termination by franchisee	FA: §15.3	You may terminate the Franchise Agreement on any grounds available by law.
e. Termination by us without cause	None	
f. Termination by us with cause	FA: §15.1	See g. and h. below. In addition, a default under any other franchise agreement that you or an affiliate has with us will constitute a default, subject to any applicable provisions for notice and cure in the other agreement. However, if you have an Area Development Agreement, a default under (or termination of) the ADA will not affect your franchise agreement(s).
g. "Cause" defined - curable defaults	FA: §§15.1, 4.6	You have 10 days to cure payment defaults and 30 days to cure other defaults, except for those described in h. below. Includes failure to comply with the mandatory elements of the System and the Manual. No cure period for same default repeated twice within any twelve-month period or for third written notice of default of any type within 18-month period.

FRANCHISE AGREEMENT		
Provision	**Section**	**Summary**
h. "Cause" defined – non-curable defaults	FA: §15.1	Non-curable defaults: Failure to comply with laws, to complete training, to comply with surveys, inspections or required corrections, or to comply with restrictions on transfer; bankruptcy or similar action; loss of Center premises; material misrepresentation in obtaining franchise; conviction of crime relevant to operation of Center; you or Principal appears on "blocked" persons list under any anti-terrorism or similar law; misuse of Proprietary Marks; abandonment of business; repeated defaults even if cured; continued operation presents imminent danger to health or safety.
i. Franchisee's obligations on termination/non-renewal	FA: §§15.4, 15.5, 15.6	We have the option to assume your lease, buy the business assets, and take over your member contracts. If we do not exercise these options, your obligations include ceasing operation of the Center, changing the telephone number, removing all signs, graphics, trade dress and interior design associated with The Camp; ceasing use of trademarks and confidential information; removing all branded presence of the Center from online, mobile, social media, and other digital channels; providing us with full member information and contact details; and complying with requirements to notify and refund members and to help them transfer to other Centers. If termination was for your default, you must also pay us liquidated damages (see Item 6).
j. Assignment of contract by us	FA: §13.10	No restriction on our right to assign.
k. "Transfer" by franchisee - defined	FA: §13.5	Includes any transfer of rights under the Franchise Agreement, of ownership interests in the Franchisee, or of the assets of the Center.
l. Our approval of transfer by franchisee	FA: §13.3	We have the right to approve all transfers, but will not unreasonably withhold approval.
m. Conditions for our approval of transfer	FA: §§13.4, 13.5, 13.6, 13.7, 13.8	Conditions include no default, payment of all amounts owed to us and affiliates, payment of transfer fee, transferee qualifies and passes training, you or transferee modernizes the Center and equipment to meet system standards, transferee signs our then-current form of Franchise Agreement for a full new term, and you sign release and non-competition agreement.
n. Our right of first refusal to acquire your business	FA: §13.9	We can match any offer for the franchised business.
o. Our option to purchase your business	None	No option except upon expiration or termination of the franchise. See i. above.
p. Your death or disability	FA: §13.8	Approval by us of heir or sale within six months to an approved buyer.

FRANCHISE AGREEMENT		
Provision	**Section**	**Summary**
q. Non-competition covenants during the term of the franchise	FA: §4.11	No interest in a business offering the same or similar health and fitness and/or weight control services or goods as a typical THE CAMP TRANSFORMATION CENTER® business, whether in person, online, or through other media ("**Similar Business**"). This provision is subject to applicable state law.
r. Non-competition covenants after the franchise is terminated, transferred or expires	FA: §4.11	No interest in any Similar Business for 2 years within 10 miles of your former Center or within 10 miles of any THE CAMP TRANSFORMATION CENTER® business. This provision is subject to applicable state law.
s. Modification of the agreement	FA: §§16.15 and 17.1	Only written and signed modifications are binding, except: (a) we can change the Manual; and (b) all of your existing franchise agreements are amended by signing the Franchise Agreement for an additional location.
t. Integration/ merger clause	FA: §16.14	Only the terms of the Franchise Agreement and other related written agreements are binding (subject to applicable state law). Any representations or promises outside of the disclosure document and Franchise Agreement may not be enforceable.
u. Dispute resolution by arbitration or mediation	FA: §16.6	Except for certain claims, before going to court, disputes must be mediated in the county where our headquarters are located, currently San Bernardino County, California. This provision is subject to applicable state law.
v. Choice of forum	FA: §16.6	You and the Principals must file any lawsuit against us only in the federal or state court where our principal office is located at the time the suit is filed. We may file a lawsuit against you or the Principals in the federal or state court where our principal office is located or where your Center is or was located. This provision is subject to applicable state law.
w. Choice of Law	FA: §16.5	Law of the state where the Center is located. This provision is subject to applicable state law.

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AREA DEVELOPMENT AGREEMENT		
Provision	**Section**	**Summary**
a. Term	§6	The term ends at the end of the last Development Period in the Development Schedule.
b. Renewal or extension of the term	Not applicable	No provision for renewal.
c. Requirements for renewal or extension	Not applicable	
d. Termination by Franchisee	Not applicable	You may terminate the ADA on any grounds available by law.
e. Termination by Us without cause	None	
f. Termination by Us with cause	§§1.4, 7	We can terminate if you default or fail to meet the Development Schedule. In addition, we can terminate the ADA if you are in default under any Franchise Agreement with us and you fail to cure the default as required under the Franchise Agreement.
g. "Cause" defined - curable defaults	§7	You have 30 days after notice to cure defaults, other than failure to meet the Development Schedule. Includes default under any Franchise Agreement with us.
h. "Cause" defined – non-curable defaults	§7.1	Non-curable defaults: Failure to meet deadlines in Development Schedule.
i. Obligations on termination	§2.3	No further rights or obligations.
j. Assignment of contract by Us	None	
k. "Transfer" by You-definition	None	
l. Our approval of transfer by franchisee	§1.4	No transfers allowed.

Provision	Section	Summary
m. Conditions for Our approval of transfer	None	
n. Our right of first refusal to acquire your business	None	
o. Our option to purchase your business	None	
p. Your death or disability	None	
q. Non-competition covenants during the term of the franchise	§8.5	No interest in a business offering the same or similar health and fitness and/or weight control services or goods as a typical THE CAMP TRANSFORMATION CENTER® business, whether in person, online, or through other media ("Similar Business"). This provision is subject to applicable state law.
r. Non-competition covenants after the franchise is terminated, transferred or expires	§8.5	No interest in any Similar Business for 1 year within 10 miles of the Development Area or within 10 miles of any THE CAMP TRANSFORMATION CENTER® business. This provision is subject to applicable state law.
s. Modification of the agreement	§10.1(l)	Modifications must be in writing and signed by you and us.
t. Integration/ merger clause	§10.1(l)	Only the terms of the ADA and other related written agreements are binding (subject to applicable state law). Any representations or promises outside of the disclosure document and ADA may not be enforceable.
u. Dispute resolution by arbitration or mediation	§10.1(e)	Except for certain claims, before going to court, any dispute arising out of the ADA must first be submitted to non-binding mediation, in the city where our principal office is located at the time the demand for mediation is filed. This provision is subject to applicable state law.
v. Choice of forum	§10.1(f)	Litigation must be filed in the county where we have our headquarters (currently, San Bernardino County, California). This provision is subject to applicable state law.
w. Choice of law	§10.1(d)	The law of the state where the Development Area is located governs the Area Development Agreement. This provision is subject to applicable state law.

ITEM 18. PUBLIC FIGURES

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

ITEM 19. FINANCIAL PERFORMANCE REPRESENTATIONS

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

In Tables 1 and 2 below, we present certain historical information for the financial performance of franchised Centers and Company-Owned Centers in 2025. We had 69 franchised Centers and 4 Company-Owned Centers open at the end of 2025. The explanatory notes following each Table are an important part of the information presented.

Table 1 – 2025 Annual Gross Sales of Franchised Centers

Subset	Highest Gross Sales	Lowest Gross Sales	Median	Average	Number & Percent Achieving Average
Top 10% (7 Centers)	$ 1,251,830	$ 642,373	$ 727,934	$ 834,172	2 of 7 (29%)
Middle 80% (53 Centers)	$ 623,265	$ 258,404	$ 442,611	$ 452,745	25 of 53 (47%)
Bottom 10% (7 Centers)	$ 210,424	$148,265	$ 195,605	$ 186,479	5 of 7 (71%)
All Franchised Centers (67 Centers) (Note 1)	$ 1,251,830	$ 148,265	$ 442,611	$ 464,777	29 of 67 (43%)

Note 1: Table 1 includes data for 67 franchised Centers that were open for the entire 2025 calendar year, including 1 franchised Center that was converted from a Company-Owned Center to a franchised Center during 2025 and 1 franchised Center that was reacquired by the Franchisor during 2025. Table 1 excludes 3 franchised Centers that opened during 2025 and 10 franchised Centers that were terminated during 2025.

Note 2: "Gross Sales" is defined in the Franchise Agreement as the total of all cash or other form of payment received for services, products and tangible property of every kind, performed or sold at, in, upon or related to your Center and from any vending, game or other type of machine or similar device located at your Center; and any and all other amounts which are received as

compensation for any services rendered from your Center. “Gross Sales” does not include amounts collected and paid out for sales taxes levied on the sale of products and services or the proceeds from the sale of any furniture, fixtures or equipment previously used at your Center.

Table 2 – 2025 Average Gross Sales

Type	Number of Centers in Group (Notes 1, 2)	Average Gross Sales (Note 3)	Median Gross Sales
Franchised Centers	67	$464,777	$442,611
Company-Owned Centers	3	$681,781	$594,894
Above Centers Combined	70	$474,077	$451,578

Note 1: Table 2 includes data for the same 67 franchised Centers included in Table 1.

Note 2: “Company-Owned” refers to the Centers operated by our affiliates, The Camp Bootcamp, Inc. and River Wave Fit, LLC. The number shown excludes 1 franchised Center reacquired in 2025 that is now operated as a Company-Owned Center and 1 Company-Owned Center that was converted to a franchised Center during 2025.

Note 3: Twenty-nine of the 67 franchised Centers, or 43%, exceeded the 2025 average Gross Sales for franchised Centers. The range of Gross Sales for franchised Centers was $148,265 to $1,251,830. One of the 3 Company-Owned Centers, or 33%, exceeded the 2025 average Gross Sales for Company-Owned Centers. The range of Gross Sales for Company-Owned Centers was $562,133 to $888,315.

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Table 3 includes data for the 3 Company-Owned Centers operated by our affiliates, The Camp Bootcamp, Inc. and River Wave Fit, LLC, for all of 2025. Table 3 excludes the Franchised Center reacquired in 2025 and the Company-Owned Center sold in 2025.

Table 3 – 2025 Average Net Operating Income of Company-Owned Centers

	Average	Median
Gross Sales (note 1)	$ 680,821	$ 594,894
Less: Cost of Goods Sold (note 2)	60,546	
Gross Profit (note 3)	620,275	533,343
Less: Expenses:		
Payroll (note 4)	250,894	
Rent & Utilities (note 5)	108,620	
Repairs & Maintenance (note 6)	19,157	
Advertising & Marketing (note 7)	27,594	
Merchant Fees	23,073	
Other Expenses (note 8)	33,913	
Total Expenses (note 9)	463,252	435,304
Net Operating Income (note 10)	$157,023	
Less: Adjustments to reflect material financial and operational differences between company owned Centers and Franchised Centers		
Imputed Royalty @ 6% of Gross Sales (note 11)	40,849	
Imputed Payroll Processing expense (note 12)	3,865	
Imputed Insurance expense (note 12)	9,037	
Net Operating Income after Adjustments	$103,271	

Notes:

Note 1: The average Gross Sales figure shown is before customer returns and refunds. The range of Gross Sales was $559,870 to $887,698. See Notes to Table 1 for the definition of "Gross Sales."

Note 2: COGS is the acquisition cost of supplements, apparel, and other merchandise sold in the Centers. Includes freight charges (shipping and delivery).

Note 3: The figure shown is the actual average of Gross Profit for the 3 Company-Owned Centers. It differs from the figure that would be obtained by subtracting the Average COGS from the Average Gross Sales. The range of Gross Profit for the 3 Centers was $504,920 to $822,560.

Note 4: Includes salaries, wages and payroll taxes.

Note 5: Includes rent, CAM charges, parking, equipment lease, water, gas and electric, telephone and internet, and trash disposal.

Note 6: Includes office and building maintenance.

Note 7: Includes advertising, marketing, promotions, and texting services.

Note 8: Other expenses include tech expenses; bank charges; dues and subscriptions; professional fees; meals and entertainment; licenses and permits; mileage and gas; office supplies; general office expenses; and uncategorized expenses.

Note 9: The range of Total Expenses was $387,017 to $567,435.

Note 10: The figure shown is the actual average of Net Operating Income for the 3 Company-Owned Centers. It differs from the figure that would be obtained by subtracting the Average Total Expenses from the Average Gross Profit.

Note 11: This is the average amount of royalties the Company-Owned Centers would have paid if they had been subject to a 6% royalty obligation in 2025. No amount has been imputed for Marketing Fund contributions because we do not currently require Marketing Fund contributions from franchisees (see Item 6 and Item 11).

Note 12: Insurance and payroll processing expenses for the Company-Owned Centers are incurred at the headquarters level and not included in Center-level expenses. The adjustment is 1/3 of the total headquarters expense for insurance and payroll processing incurred for the 3 Company-Owned Centers.

* * *

The financial performance representations in the Tables are historical representations. We obtained the data for the Centers in Tables 1 and 2 from the POS system of each Center. We obtained the data for Table 3 from our accounting system.

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

Written substantiation for the financial performance representations in this Item will be made available to you upon reasonable request.

Other than the preceding financial performance representations, we do not make any representations about a franchisee's future financial performance or the past financial performance of company-owned or franchised outlets. 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 Center, however, we may provide you with the actual records of that location. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management by contacting Alejandra Font at 5871 Pine Avenue, Suite 200, Chino Hills, CA 91709, tel. 909-325-6011, the Federal Trade Commission, and the appropriate state regulatory agencies.

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ITEM 20: OUTLETS AND FRANCHISEE INFORMATION

Table No. 1
SYSTEM WIDE OUTLET SUMMARY
For Fiscal Years 2023-2025[1]

Center Type	Year	Centers of the Start of the Year	Centers at the End of the Year	Net Change
Franchised[2]	2023	104	97	-7
	2024	97	76	-21
	2025	76	69	-7
Company - Owned[3]	2023	3	3	0
	2024	3	4	+1
	2025	4	4	0
Total Centers	2023	107	100	-7
	2024	100	80	-20
	2025	80	73	-7

Notes:

1. Our fiscal year ends on December 31.

2. Does not include franchises signed but not yet open as of December 31, 2025; these franchises are reported in Table 5 below and the franchisees are listed separately within Exhibit G.

3. “Company-owned Centers” shown in these tables are operated by our affiliates.

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Table No. 2
TRANSFERS OF OUTLETS FROM FRANCHISEES TO NEW OWNERS
(OTHER THAN THE FRANCHISOR)
For Fiscal Years 2023-2025

State	Year	Number of Transfers
Arizona	2023	2
	2024	0
	2025	0
California	2023	3
	2024	6
	2025	5
Texas	2023	2
	2024	0
	2025	0
Total	**2023**	**7**
	2024	**6**
	2025	**5**

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Table No. 3
STATUS OF FRANCHISED OUTLETS[1]
For Fiscal Years 2023-2025

State	Year	Centers at Start of Year	Centers Opened [2]	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations - Other Reasons	Centers at End of the Year
Arizona	2023	2	0	0	0	0	1	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
California	2023	80	6	5	2	0	0	79
	2024	79	4	12	0	1	3	67
	2025	67	3	7	0	0	0	63
Florida	2023	5	0	0	0	0	1	4
	2024	4	0	4	0	0	0	0
	2025	0	0	0	0	0	0	0
Minnesota	2023	1	0	0	1	0	0	0
	2024	0	0	0	0	0	0	0
	2025	0	0	0	0	0	0	0
Nevada	2023	2	0	0	0	0	2	0
	2024	0	0	0	0	0	0	0
	2025	0	0	0	0	0	0	0
New Mexico	2023	1	0	0	0	0	1	0
	2024	0	0	0	0	0	0	0
	2025	0	0	0	0	0	0	0
Ohio	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	1	0	0	0	0
Oregon	2023	1	0	0	0	0	0	1
	2024	1	0	0	1	0	0	0
	2025	0	0	0	0	0	0	0
Tennessee	2023	0	0	0	0	0	0	0
	2024	0	1	0	0	0	1	0
	2025	0	0	0	0	0	0	0

State	Year	Centers at Start of Year	Centers Opened [2]	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations - Other Reasons	Centers at End of the Year
Texas	2023	11	0	0	0	0	1	10
	2024	10	0	2	1	0	0	7
	2025	7	0	2	0	0	0	5
Virginia	2023	0	1	0	0	0	0	1
	2024	1	0	1	0	0	0	0
	2025	0	0	0	0	0	0	0
Total	**2023**	**104**	**7**	**5**	**3**	**0**	**6**	**97**
	2024	**97**	**5**	**19**	**2**	**1**	**4**	**76**
	2025	**76**	**3**	**10**	**0**	**0**	**0**	**69**

Notes:

1. Does not include franchises signed but not yet open as of December 31, 2025; these franchises are reported in Table 5 below and the franchisees are listed separately within Exhibit G.

Table No. 4
STATUS OF COMPANY OUTLETS
For Fiscal Years 2023-2025

State	Year	Centers at Start of Year	Centers Opened	Centers Reacquired from Franchisees	Centers Closed	Centers Sold to Franchisees	Centers at End of the Year
California	2023	3	0	0	0	0	3
	2024	3	0	1	0	0	4
	2025	4	0	1	0	1	4
Total	**2023**	**3**	**0**	**0**	**0**	**0**	**3**
	2024	**3**	**0**	**1**	**0**	**0**	**4**
	2025	**4**	**0**	**1**	**0**	**1**	**4**

Table No. 5
PROJECTED OPENINGS
AS OF DECEMBER 31, 2025

STATE	FRANCHISE AGREEMENT SIGNED BUT BUSINESS NOT OPEN AS OF 12/31/25	PROJECTED NEW FRANCHISED BUSINESSES IN THE NEXT FISCAL YEAR[1]	PROJECTED COMPANY OWNED BUSINESSES OPENING IN NEXT FISCAL YEAR
California	8	3	0
Texas	3	1	0
Totals	**11**	**4**	**0**

Notes:

1. The figures for projected new franchised businesses in the next fiscal year are a combination of both new Franchise Agreements expected in 2026 and the Franchise Agreements pending at the end of 2025 opening in 2026.

The names, addresses and telephone numbers of our franchisees as of December 31, 2025 are listed in Exhibit G to this disclosure document. The locations marked with an asterisk in Exhibit G are franchisees who have an Area Development Agreement in force.

Exhibit G also includes a separate list of the franchisees who had signed a franchise agreement but had not yet opened the Center as of December 31, 2025.

Exhibit H is a list of franchisees who had a Center transferred, terminated, canceled, or not renewed, or who otherwise voluntarily or involuntarily ceased to do business under a Franchise Agreement during 2025. There are no franchisees who have not communicated with us within the 10 weeks before the issuance date of this disclosure document.

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

During the last three years, we have not signed any agreements with current or former franchisees that contain confidentiality clauses that would restrict a franchisee's ability to speak openly about their experiences as a franchisee in our franchise system.

We have not created or sponsored any trademark-specific franchisee organizations associated with the franchise system. No independent franchisee organizations have asked to be included in this disclosure document.

ITEM 21. FINANCIAL STATEMENTS

Exhibit F to this disclosure document contains our audited financial statements dated December 31, 2025, December 31, 2024 and December 31, 2023.

ITEM 22. CONTRACTS

Copies of the following agreements are attached:

Exhibit A	Franchise Agreement
Exhibit B	Area Development Agreement
Exhibit D	Sample Release
Exhibit I	State-Required Contract Addenda

ITEM 23. RECEIPTS

Two copies of a receipt form appear at the end of this disclosure document. Please fill out and sign both receipts, return one copy to us and keep the other for your records.

EXHIBIT A

FRANCHISE AGREEMENT



FRANCHISE AGREEMENT

THE CAMP TRANSFORMATION CENTER
FRANCHISE AGREEMENT

TABLE OF CONTENTS

RECITALS: 1

ARTICLE 1: GRANT OF FRANCHISE 1

ARTICLE 2: FEES 3

ARTICLE 3: TERM; RENEWAL 4

ARTICLE 4: OPERATING SYSTEM AND PROCEDURES 6

ARTICLE 5: TRAINING 13

ARTICLE 6: MAINTENANCE 14

ARTICLE 7: MARKETING AND ADVERTISING 15

ARTICLE 8: ACCOUNTING AND RECORD KEEPING 18

ARTICLE 9: AUDITS AND INSPECTIONS 18

ARTICLE 10: RELATIONSHIP OF PARTIES AND INDEMNIFICATION 20

ARTICLE 11: INSURANCE 20

ARTICLE 12: DEBTS AND TAXES 22

ARTICLE 13: PRINCIPALS, SALE AND ASSIGNMENT, RESTRICTIONS 22

ARTICLE 14: TRADEMARKS 27

ARTICLE 15: EXPIRATION AND TERMINATION 28

ARTICLE 16: MISCELLANEOUS 33

ARTICLE 17: AMENDMENT OF PRIOR AGREEMENTS 36

ATTACHMENT 1 – PERSONAL GUARANTEE
ATTACHMENT 2 – CONFIDENTIALITY AGREEMENT
ATTACHMENT 3 – SITE SELECTION ADDENDUM AND LEASE RIDER

THE CAMP TRANSFORMATION CENTER®

FRANCHISE AGREEMENT

THIS AGREEMENT dated _____ 20__ is between The Camp Franchise Systems LLC, a California limited liability company ("**We**", "**Us**" or "**Our**"), and _____ ("**You**" or "**Your**"), and if You are a legal entity, the Principals identified on the signature page of this Agreement ("**Principals**").

RECITALS:

A. We own the exclusive rights to offer and sell franchises for the operation of health and fitness centers ("**Centers**") using the name and trademark THE CAMP TRANSFORMATION CENTER® and any other trademarks, service marks, logos, and commercial symbols we designate (collectively, the "**Marks**") and following a system of operation developed and used by Us and Our affiliates (the "**System**").

B. The distinguishing characteristics of the System include, but are not limited to: our exercise and weight control program design and instructional techniques; our standards and processes for teaching classes and personal training using our program; the exterior and interior design, décor, color scheme, equipment, fixtures, and furnishings of the Centers; our branded apparel and accessories and retail inventory mix; our operating standards and procedures; our advertising and promotional programs and marketing techniques; our customer service standards; and the accumulated experience reflected in our operating procedures and training program.

C. You desire to purchase a THE CAMP TRANSFORMATION CENTER franchise (the **"Franchise**") and own and operate a Center, and We have approved You for a Franchise.

THEREFORE, in consideration of the mutual promises contained in this Agreement, the parties hereby agree as follows:

ARTICLE 1: GRANT OF FRANCHISE

1.1 Grant

Subject to the following terms and conditions, We grant You the right, and You undertake the obligation, to use the System and the Marks solely in direct connection with the offering and providing of fitness and weight control services at a THE CAMP TRANSFORMATION CENTER business to be operated by You at the following location (referred to in this Agreement as "**Your Center"**):

Address: _____

Transformation Center No._____

If the address of Your Center has not been determined as of the time of signing this Agreement, You must sign the Site Selection Addendum (Attachment 3 to this Agreement), which will govern the site selection process.

1.2 No Territorial Rights

You are not receiving any exclusive territory, protected territory, or other territorial rights under this Agreement. Except for the address where Your Center is located, the rights granted are non-exclusive and We and our affiliates retain the rights, directly or indirectly:

(i) To operate, and authorize others to operate, THE CAMP TRANSFORMATION CENTER Centers and businesses operating under any name other than THE CAMP TRANSFORMATION CENTER, at any location and of any type or category whatsoever;

(ii) To create, produce and distribute online live and recorded workouts and other digital content and services for fitness customers under the THE CAMP TRANSFORMATION CENTER name or any other name or mark; and

(iii) To produce, license, distribute and market products (such as nutritional/healthy products, weight control products, supplements, food and beverages, other pre-packaged products, books, clothing, souvenirs and novelty items) and services using the name THE CAMP TRANSFORMATION CENTER or any other name or mark, through any outlet anywhere (which outlets may include, for example, grocery stores, supermarkets and convenience stores) and through any distribution channel, at wholesale or retail, including by means of the Internet, mail order catalogs, direct mail advertising and other distribution methods.

1.3 Building Plans and Relocation

(a) You agree to employ an architect, designer, and other necessary persons to prepare building plans for Your site according to Our specifications. You must obtain Our prior approval of the final plans and specifications for Your Center before submitting them to any landlord, property owner, or governmental agency and/or before beginning the construction or remodel. Except as may be expressly provided in the Manual, no changes of any kind in design, equipment or decor will be made in, on or about Your Center premises without Our prior written approval in each instance.

(b) You will not relocate Your Center without Our prior written consent. We will consent to a relocation to an alternative, pre-approved location under limited circumstances only, such as loss of the location due to condemnation, eminent domain destruction, loss of Your right of possession for reasons not caused by You, or a very substantial and detrimental change in the business potential and character of the location. You will be solely responsible for the expense of any such relocation and will pay Us a reasonable fee for Our services in connection with such relocation. You will be fully responsible for closing the existing location and must comply with Section 15.3 below regarding de-identification.

1.4 Pre-Opening Marketing

You may not open Your Center until You have (i) sold a minimum number of memberships to establish an initial client base; and (ii) conducted at least 14 weeks of pre-opening marketing. As of the date of this Agreement, the required minimum number of memberships is 150.

1.5 Opening Deadline

You must open the Center for business to the public within one (1) year after signing this Agreement (the **"Opening Deadline"**).

ARTICLE 2: FEES

2.1 Fees

You agree to pay Us:

(a) A non-refundable "**Initial Franchise Fee"** of $49,500 upon execution of this Agreement;

(b) A **"Royalty Fee**" equal to six percent (6%) of Your Center's Gross Sales as payment for the continuing right to use the System and Marks;

(c) An annual "**Technology Fee**" for access to our online training platform and other software, technology, and related services that may change from time to time. Currently, the Technology Fee is $1,000. We can adjust it annually based on increases in our costs for the platforms, software, technology and related services, but it will not exceed $1,500 per year;

(d) If applicable, a Grand Opening Fee as described in Section 7.2 below;

(e) If applicable, an ongoing Local Marketing fee as described in Section 7.3 below;

(f) At such time as We notify You that We have established a THE CAMP TRANSFORMATION CENTER Marketing Fund, a **"Marketing Fund Fee"** of up to two and one half percent (2.5%) of Your Center's Gross Sales, to be applied as described in Section 7.5 below. This fee is in addition to Your obligations for Grand Opening Marketing and Local Marketing;

(g) An annual "**Conference Registration Fee**" of up to $500 per person;

(h) A "**Non-Compliance Fee**" of up to $1,000 per notice of violation of System standards, payable only if You fail to cure the violation within 10 days;

(i) A "**Cure Period Extension Fee**" of up to $1,000 if You submit a written request for an extension to cure a curable event of default; and

(j) Any other fees specified elsewhere in this Agreement.

2.2 No Fees Refundable

All fees payable to Us are not refundable in whole or part under any circumstances and are deemed fully earned by Us when paid.

2.3 Payment of Fees

(a) You agree to pay the Royalty Fee and Marketing Fund Fee no later than the third (3rd) day following the end of each week or such other time as may be designated in the Manual,

such as daily transfers. TIME IS OF THE ESSENCE regarding payment of all fees. All fees payable to us are intended to be “net” amounts and You will pay (or reimburse us for) any sales, services, use or similar taxes which may be imposed upon any such fees.

(b) For all amounts payable to Us and Our affiliates, You must use the payment method(s) that We designate from time to time. We currently require payment by Automated Clearing House (ACH) or electronic funds transfer (EFT), and You must designate an account at a commercial bank of your choice and permit Us to make withdrawals from that account. We may change the method of payment in Our sole discretion.

(c) You agree at Our request to furnish the bank with authorizations and furnish Us with information, execute forms, make arrangements and complete procedures as reasonably necessary to enable direct ACH transfers or EFT payments automatically from Your account(s) to the account(s) We designate. Without limiting the foregoing, You specifically agree to obtain the necessary equipment used by the System to transmit sales and other polling information which will allow Us to cause such funds transfers to be made. You further agree to maintain sufficient funds in Your account(s) to allow timely honoring of each payment to Us by Your bank or other financial institution. We have the right to charge You a fee of $100 for each occurrence of insufficient funds. You hereby specifically authorize Us to make such direct transfers so long as such transfers are limited to amounts computed with reference to sales information furnished by You, or if You fail to furnish such information, with reference to good faith estimates by Us.

(d) Any amounts owed to Us or our affiliates that are not paid when due will bear interest from and after their respective due dates at the rate of eighteen percent (18%) per annum or the highest rate permitted by law, whichever is less. In addition, any late payment of Royalty Fees or Marketing Fund Fees must be accompanied by a late payment administrative charge of $250.00.

2.4 Gross Sales

The term "**Gross Sales”** as used in this Agreement will mean the total of all cash or other form of payment received for services, products and tangible property of every kind, performed or sold at, in, upon or related to Your Center and from any vending, game or other type of machine or similar device located at Your Center; and any and all other amounts which are received as compensation for any services rendered from Your Center. All amounts collected and paid out for sales taxes levied on the sale of such products and services and the proceeds from the sale of any furniture, fixtures or equipment previously used at Your Center are excluded from Gross Sales.

ARTICLE 3: TERM; RENEWAL

3.1 Initial Term

The initial term of this Agreement ("**Initial Term"**) begins when we sign this Agreement and ends ten (10) years from the date on which Your Center opens to the public as a THE CAMP TRANSFORMATION CENTER location. If You acquire an existing THE CAMP TRANSFORMATION CENTER location from a previous operator, the initial term ends ten (10) years from the date on which You take ownership of the Center. You agree to send Us written notice of the date on which Your Center opens to the public (for a new Center) or You take ownership (for an acquired Center). You agree to operate the Center for the full Initial Term.

3.2 Renewal

You may renew this Agreement for two additional terms of five (5) years each, so long as all of the following conditions have been met:

(a) You must give Us written notice of your intention to renew not less than six (6) months or more than twelve (12) months before the end of the current term;

(b) You must not be in default of this Agreement or any other agreement with Us or our Affiliates at the time of giving notice under clause (a) or during the remainder of the expiring term;

(c) You must cooperate with us in completing any review process that we may establish to determine your eligibility for a renewal term, such as (but not limited to) furnishing all required information and participating in meetings, which may be held at our headquarters;

(d) You must have a good record of customer service and of compliance with System standards and your contractual obligations to us, must be approved by Us operationally and financially, and must have consistently met the Minimum Sales Requirement in Section 4.16 during the expiring term;

(e) You must have paid all amounts owed to Us and our affiliates through the end of the expiring term;

(f) You must demonstrate that you have the right to remain in possession of the premises of Your Center for the full renewal term;

(g) You must complete any repairs, design changes, remodeling, redecorating, equipment upgrades, and technology upgrades that we deem necessary under Section 6 to reflect our then-current THE CAMP TRANSFORMATION CENTER standards and image. You must complete the work before the end of the expiring term or obtain our approval of arrangements to complete the work on a schedule satisfactory to us;

(h) At our option, you must sign the standard form of franchise agreement that we are then offering to new franchisees (the "Successor Franchise Agreement"). The terms of the Successor Franchise Agreement may be substantially different from the terms of this Agreement. All Principals must sign a personal guarantee of the Successor Franchise Agreement;

(i) You must pay Us a "**Renewal Fee**" equal to twenty-five percent (25%) of the amount of Our Initial Franchise Fee in effect at the time the renewal term begins;

(j) The Designated Operator must successfully complete any additional or refresher training courses that we may require; and

(k) You and all owners must execute Our form of a general release of any and all claims against Us, Our Affiliates, and Our and their officers, directors, shareholders, agents and employees.

ARTICLE 4: OPERATING SYSTEM AND PROCEDURES

4.1 Operating Assistance

We will advise and assist You in operating Your Center, including periodic visits by Our representative(s), to the extent We deem necessary.

4.2 Designated Operator

You represent that the individual named in this Section (the "**Designated Operator**") is a trained fitness center professional who will devote his or her full time, best efforts and constant personal attention to the day to day operation of Your Center, with full authority to act on Your behalf and on behalf of the Principals with regard to the operation of Your Center. The initial Designated Operator is: _____, The Designated Operator, and any proposed successor or replacement, must be approved by Us and certified by Us as fully trained for operations. Certification and approval of the Designated Operator includes both satisfactory completion of our Center Manager and Designated Operator Training Program, and also working sufficient additional time in a Company-operated Center, as we deem necessary in our sole discretion, to successfully develop and operate a THE CAMP TRANSFORMATION CENTER business. Any change in the identity of Your Designated Operator must be approved by Us in writing.

4.3 Operation of Your Center

Unless You have received Our prior written approval to the contrary, You will:

(a) Keep Your Center open for business during the hours We specify;

(b) Offer a minimum of three morning and three evening classes on weekdays;

(c) Operate Your Center in a clean, safe and orderly manner, providing courteous, first-class service;

(d) Construct, equip, and operate Your Center in accordance with all THE CAMP TRANSFORMATION CENTER standards, policies, and procedures as may be established from time by Us, as stated in the Manual or other written communications from Us.

(e) Comply with all health, safety and other laws applicable to the operation of Your Center, cure any deficiencies immediately after a governmental inspection and request another inspection as soon as possible thereafter;

(f) Diligently promote and make every reasonable effort to increase the business of Your Center;

(g) Advertise Your Center only by the use of the Marks designated by Us from time to time, as stated in the Manual or other written communication from Us;

(h) Comply with all Center membership requirements, as set out in Section 4.15 below;

(i) Maintain an inventory of The Camp-branded apparel and accessories and other retail merchandise in the Center sufficient to meet the requirements set forth in the Manual (or to meet reasonably anticipated customer demand, if we have not prescribed specific standards);

(j) Prevent the use of Your Center for any immoral or illegal purpose, or for any other purpose, business activity, use or function which is not expressly authorized by Us or in the Manual;

(k) Obtain and use only the equipment and technology required by the Manual, including but not limited to a customer relationship management system ("**CRM System**"), and a computerized point of sale cash collection system ("**POS System**") which among other things will allow us to poll information about Your Center, credit card and/or debit card system, membership management systems, transaction processing and accounting platforms, computer equipment and related software and communications systems;

(l) Never manipulate or tamper with the POS System or CRM System software without Our prior written approval;

(m) Not establish or use any website, social media or mobile app for Your Center or otherwise using the Marks without Our prior written consent.

4.4 Confidential Manual

(a) We will loan You one copy of, or provide electronic access to, Our confidential operations manual relating to the development and operation of a Center, which may, in our discretion, consist of one or more volumes, handbooks, written materials, electronic files, video or audio recordings, and other materials, all of which we can modify, replace and supplement (collectively, the "**Manual**"). You agree to comply strictly with and perform all things required by the Manual, such as those dealing with the selection, purchase and installation of approved equipment and performing services at the Center, adding new products and services, and maintenance and repair of Your Center's buildings, grounds, furnishings, fixtures and equipment, operating hours and days, employee uniforms and dress, accounting, bookkeeping, record retention and other business systems, procedures and operations.

(b) The Manual, as presently written and as We may in the future amend and supplement it from time to time, is incorporated into and made part of this Agreement by reference. All references to the Manual in this Agreement are to the Manual as most recently revised as of the relevant date and may be in the form of several manuals. The Manual may be in paper form or available in electronic form or a combination of both media.

(c) The purpose of the Manual is to provide a means of communicating to all Franchisees specific details of Our System which will enhance uniformity and conformity among all Centers. You specifically agree that the Manual is an integral, necessary and material element of the System and that it will be necessary for Us, in order to maintain the high quality of the System and maximize its competitive position, to revise and update the Manual from time to time. We have the right at any time and from time to time, in the good faith exercise of Our reasonable business judgment, to revise, delete from and add to the materials contained in the Manual. You expressly agree to comply promptly with all changes to the Manual.

4.5 Confidentiality; Our Property

(a) In this Agreement, "**Confidential Information**" means all knowledge and data not generally known to the public, whether or not constituting trade secrets, that we disclose to you and/or the Principals and Designated Operator or that you or they obtain by virtue of this Agreement or any activities under this Agreement, including but not limited to: (i) methods, techniques, specifications, standards, policies, procedures, and design and layout plans relating to the construction and operation of Centers; (ii) our exercise program design and instructional techniques; (iii) requirements for instructor certification, certified trainer lists, and training materials for obtaining certification; (iv) membership records and other customer data; (v) mailing lists, prospect lists, marketing studies, and marketing and promotional techniques; (vi) designs, formulations, and/or methods of preparation for any proprietary products developed by us or our affiliates; (vii) operating results, financial performance and other financial data of the Centers, other than Your Center; (viii) the contents of the Manual and our franchisee training programs and materials; (ix) equipment and inventory requirements and specifications; (x) supplier lists, terms of purchase, and other information concerning the selection and sourcing of equipment, products and supplies; (xi) research and development, test results, and feasibility studies; and (xii) business plans and non-public financial information about us and our affiliates.

(b) We own all rights in and to the System, including the information and materials described or contained in the Manual. The Manual contains our proprietary information and trade secrets which have been or will be revealed to You in confidence. You agree not to disclose, duplicate, license, sell or reveal any Confidential Information to any other person, except an employee of Yours required by his or her work to be familiar with such information. You agree not to use any of our Confidential Information in any business other than Your Center. You agree to obtain from each of Your Center's managers and other employees an agreement to keep and respect all such confidences and to be responsible for Your employees' keeping this information confidential. A copy of the employee confidentiality agreement is attached hereto as Attachment 3.

(c) The Manual and all other confidential materials furnished to You are on loan only, and remain Our property. Upon the expiration or termination of this Agreement in any circumstances, You must: (i) immediately return all hard copies of such documents; (ii) immediately delete all electronic copies from all devices in your possession or control; and (iii) certify to us in writing that you have completed these actions. .

(d) All data that You collect from members or through marketing is deemed to be Confidential Information subject to this Section 4.5. You agree to install and maintain the security measures and devices necessary to protect member data from unauthorized access or disclosure. You may not sell or disclose to anyone else any personal or aggregated information concerning any members without first obtaining our written consent. We and our affiliates have the right to use all member and marketing data, without compensation to You, both during and after the term of this Agreement. You have the right to use the member data only in connection with the Franchise while this Agreement is in effect. Subject to applicable law, in the event of an approved sale of the Franchise to a new owner who will continue to operate the Franchise under an agreement with us, You may transfer the member data to the buyer as part of the going concern value of the business

(e) If You or any Principal, employee or agent develops an Improvement, as defined below, you must promptly notify us and provide us with all related information, without compensation. "**Improvement**" means any change, idea, innovation, new concept (including any

advertising slogan or idea), product, or process that may enhance or improve the System, whether or not protectable and whether created by or for You or Your owners or employees. You and the Principals, for yourselves and on behalf of all employees and agents, acknowledge that any such Improvement is our property and agree to sign all documents necessary to verify assignment of the Improvement to us. We will have the unrestricted right to use, disclose and/or license the Improvement for use by others. You may not introduce any Improvement into Your Center without our prior written consent.

4.6 Uniformity and Conformity

You agree that strict conformity by You with this Agreement, the System and the Manual, is vitally important to the collective success of all THE CAMP TRANSFORMATION CENTER businesses, including Your Center, because of the benefits You and other THE CAMP TRANSFORMATION CENTER operators will derive from uniformity in identity, quality, appearance, facilities and service among all THE CAMP TRANSFORMATION CENTER businesses. Any material failure to adhere to the requirements contained in this Agreement or in the Manual will be considered a material breach of this Agreement.

4.7 Products and Services

(a) You agree to offer for sale from Your Center, at all times when Your Center is open for business, all of the required services and products expressly described in the Manual, unless You have received Our prior written consent to any exception. You may also offer any products and services that We have expressly designated as optional. We may change the types of authorized products and services that You are required or have the option to offer from Your Center. You are prohibited from offering any other service, product or brand at or from Your Center without Our prior written consent in each case. You agree to submit to Us in writing any additional product, brand or service that You propose, for Our consideration and final determination before You offer the proposed item in the Center. We may approve it initially for testing only. You understand and agree that at Our discretion any such proposal may be utilized on a test basis basis only, subject to the terms of a written test agreement. All proposals approved by Us will become Our property upon submission.

(b) You do not have the right to create, produce or distribute online live or recorded workouts or other digital content or services for fitness customers, or to use Our name or trademarks to distribute products or services other than through Your Center. If We authorize You to offer online live or recorded workouts or other digital services for fitness customers, You may offer only the content created, produced and distributed by Us and Our affiliates.

4.8 Pricing of Products and Services

To the extent permitted by applicable law where Your Center is located, We have the right to establish maximum and/or minimum prices that You must follow for products and services. We may also provide suggested prices that You are not required to follow. In the case of suggested prices, You are responsible for any additional costs that You or We incur to produce marketing and promotional materials for You containing prices deviating from those suggested by Us.

4.9 Promotional Activities

You must participate in and comply with the terms of special promotional activities that We prescribe for Centers generally or in specific geographic areas. These activities may include

special offer, limited time offer, digital coupon, free giveaway, and other pricing promotions and the featured price(s) may be less than Your cost for the promoted item(s). You must display promotional signs and materials and otherwise participate in the manner We request.

4.10 Approved Suppliers: Proprietary Products/Ingredients

In order to assure uniformity and conformity among Centers, You agree to purchase all products and services for resale or use at Your Center only from suppliers who are at that time approved in writing by Us as an approved supplier ("**Approved Supplier**"). You agree to buy, to the extent required by the Manual, any designated proprietary products or ingredients from Us or a designated supplier (which may be an Affiliate). You agree that such products or ingredients are prepared pursuant to secret, proprietary recipes and/or procedures belonging to Us or our affiliates. We and our affiliates may earn income on sales that we make directly to you. We may negotiate purchasing arrangements under which suppliers agree to make equipment, fitness accessories, apparel, merchandise, supplements, and other goods and services available to Centers. Subject to applicable law, We and our affiliates may earn money in the form of rebates, commissions, or other payments from the suppliers based on Your purchases. These payments compensate Us for the cost of negotiating and maintaining the purchasing arrangements with the suppliers and, subject to applicable laws and Our arrangements with the suppliers, We have no obligation to remit the funds to You. If You want to purchase any products or services from a supplier who is not an Approved Supplier, You must notify Us and instruct the proposed supplier to contact Us and follow Our procedures for becoming an Approved Supplier. We may charge You and/or the proposed supplier a reasonable fee for the costs involved in evaluating the proposed supplier and its products or services, whether or not we approve the proposed supplier.

4.11 Your Covenants

(a) You agree that THE CAMP TRANSFORMATION CENTER businesses, including Your Center, must compete against Similar Businesses (as defined below) which may have far greater financial resources and may be better established in the fitness, health and weight control industries. For purposes hereof, a "**Similar Business**" is any business offering the same or similar health and fitness and/or weight control services or goods as a typical THE CAMP TRANSFORMATION CENTER business.

(b) Therefore, You agree on behalf of Yourself and each Principal to take all necessary action to assure compliance throughout the term of this Agreement with the requirements of this Section 4.11 and the other Sections in this ARTICLE 4, including obtaining and delivering to Us a written agreement from each such person that he or she agrees to each of the covenants set forth in this Section 4.11.

(c) While this Agreement is in effect:

(i) Neither You nor any Principal will, directly or indirectly, own, operate, be employed by, manage, perform any services for, become a lender or landlord of, provide any assistance to, engage in, or have any interest whatsoever in any Similar Business without Our prior express written consent.

(ii) Neither You nor any Principal will divert or attempt to divert any business or customer of Your Center, or of any other THE CAMP

TRANSFORMATION CENTER business, to any Similar Business by direct or indirect inducement, advertising, or otherwise.

(d) For a period of two (2) years following the expiration or termination of this Agreement or the approved transfer of this Agreement to a new franchisee:

(i) Neither You nor any Principal will, directly or indirectly, own, operate, be employed by, manage, perform any services for, become a lender or landlord of, provide any assistance to, engage in, or have any interest whatsoever in any Similar Business which is located within ten (10) miles of the location of Your former Center or within ten (10) miles of any THE CAMP TRANSFORMATION CENTER business without Our prior express written consent.

(ii) Neither You nor any Principal will divert or attempt to divert any business or customer of Your Center, or of any other THE CAMP TRANSFORMATION CENTER business, to any Similar Business by direct or indirect inducement, advertising, or otherwise.

(e) Neither You nor any Principal will do or perform, directly or indirectly, any other act which is injurious or prejudicial to the goodwill associated with the System or the value of the Marks.

(f) You agree that any violation of this Section 4.11 would result in irreparable injury to Us and the System, and that We would be without an adequate remedy at law. You agree that in the event of a breach or threatened breach of any such covenant, We will not be required to prove actual or threatened damage from such breach in order to obtain a temporary and/or permanent injunction and a decree for specific performance of the terms of this Section 4.11. In addition to injunctive relief, We shall be entitled to any other remedies which We may have under this Agreement, at law or in equity.

(g) The parties agree that each of these covenants will be construed as independent of each other and of any other covenant or provision of this Agreement. If all or any portion of a covenant in this Section 4.11 is held unenforceable by a court having valid jurisdiction in a final decision between the parties hereto and from which no appeal has or may be taken, You expressly agree to be bound by the remaining portion of such covenant.

4.12 Employees

You have sole responsibility for all employment decisions and functions relating to the Center, including but not limited to decisions related to recruiting, screening, hiring, firing, scheduling, training (other than the training in Article 5), compensation, benefits, wage and hour requirements, recordkeeping, supervision, safety, security and discipline of employees. Any information we provide about employment matters, whether voluntarily or in response to your request, and whether directly or by means of any technology tools, is a recommendation only and not intended to exercise control over your employees, their wages, hours or working conditions, or the means and manner by which they carry out their duties. You alone will direct and control all Center employees, subject only to applicable legal requirements, the terms of this Agreement, and the standards that we prescribe for the preservation of the goodwill associated with the Marks. You must display a prominent notice at any location where you communicate information to Center employees as a group, identifying yourself by your legal name as their employer and

expressly stating that The Camp Franchise Systems, LLC and its affiliates do not assume and will not accept any employer obligations to your personnel.

4.13 Software

You agree to use in Your Center the business software systems we designate for specific functions, including without limitation a CRM system, POS system and financial reporting system. You must pay monthly fees directly to the owners of these systems and You agree to sign or accept any standard user terms they may require.The vendors may change their monthly license fees and We may change systems and vendors in the future.

4.14 Management and Communication System; Mobile App

We may establish an online management and communication system for THE CAMP TRANSFORMATION CENTER franchisees and You agree to participate and perform all things necessary to set up and connect to the online communication system and comply strictly with its requirements. You must also use our Camp On Demand mobile app in the operation of your Center. You must pay a monthly fee to our third-party app developer to support the app. The provider may change its monthly fee and we may change vendors in the future

4.15 Members

You must require each member to sign a membership agreement containing a liability waiver and any other provisions that we specify from time to time (such as a reciprocity provision that permits members to have access to other Centers under certain conditions). The membership agreement, liability waiver, and any other required documents must each be in a form that your attorney has reviewed for compliance with applicable law, including state and local laws in the area where Your Center is located. The liability waiver must include Us, our affiliates, and our respective officers, directors, employees, and owners as covered parties and must be in effect before the individual participates in any fitness activity. You must promptly and accurately enter each member's information into the approved system according to the procedures we specify. We have the right to communicate directly with Your members concerning the fitness program, products, or franchise opportunities. You may offer only the types of membership (number of visits, monthly, annual, single-location, multi-location, etc.) that we prescribe and no other membership types without our prior approval. We may establish minimum pricing separation between membership categories, maximum prices for particular membership types, and other membership pricing policies. Subject to applicable law where Your Center is located, you agree to follow our membership pricing policies.

4.16 Minimum Sales Requirement

Starting 12 months after the opening of the Center, You must achieve minimum monthly sales of $30,000 (the "**Minimum Sales Requirement**"). If You do not achieve the Minimum Sales Requirement in three (3) consecutive months, we may give notice of potential termination of this Agreement, require Your Designated Operator and General Manager to meet with our management team to develop action items for improving performance, and/or require You to attend re-training at our support center. You will have six (6) months from receipt of our notice (the "**Probation Period**") to achieve the Minimum Sales Requirement. If You do not satisfy the Minimum Sales Requirement by the end of the Probation Period, we will have the right to terminate this Agreement by written notice with no further opportunity to cure. The Minimum Sales

Requirement is not a representation or guarantee of any financial results from the operation of the Center.

4.17 Bonding Requirement

We require franchisees to be bonded for $50,000 or the minimum amount required by state law where the Center is located, whichever amount is greater.

4.18 Mandatory Meetings

At Our request on reasonable notice, the Designated Operator and/or employees of Your Center that We designate must attend in-person meetings at Our headquarters or another location We designate. You are responsible for all travel expenses, living expenses, wages, and other expenses incurred by Your attendees for meetings.

ARTICLE 5: TRAINING

5.1 Initial Training

We will provide without charge an initial training program ("**Initial Training**") for at least one Principal and Your Designated Operator (as identified in Section 4.2 of this Agreement). Initial Training will be held at a time and place We designate. You will be responsible for full compliance at Your Center with the requirements taught at Initial Training and will cause Your Center's employees to be trained in those requirements which are relevant to the performance of their respective duties. With Our consent, You may have employees approved as certified trainers for the other employees.

5.2 Required Attendees

At least one Principal and Your Designated Operatormust attend and complete Initial Training to Our reasonable satisfaction. All of the Managers of Your Center must successfully complete training and become certified as required by the Manual. You must always have a properly certified manager on duty at Your Center whenever it is open to the public.

5.3 Ongoing Brand Training

We may require that You and Your personnel complete ongoing, online training regarding THE CAMP TRANSFORMATION CENTER standards, policies, and procedures on a schedule We determine.

5.4 Fitness Trainer Certification

All individuals who will lead fitness training in the Center must meet Our requirements. We may also require that Your fitness trainers be certified by a nationally-accredited organization such as NASM, ACE, NESTA, or ISSA. Each fitness trainer must meet all requirements for continuing certification. You may not permit any uncertified individual to lead fitness training in the Center. You must comply with any standards We establish for the ratio of fitness trainers to class size and/or to total membership of the Center.

5.5 Pre-Opening Events

Prior to opening Your Center Premises for business, You agree at your own expense to conduct mock service and pre-opening operations events following the requirements of the Manual ("**Pre-Opening Events**").

5.6 Fees; Expenses

You agree to pay a reasonable fee for any optional training courses offered by Us. For all training, including Initial Training, You are responsible for all travel expenses, living expenses, wages, and other expenses incurred by Your trainees. If we conduct training at your Center, You must pay, in addition to any applicable training fee, the reasonable travel, meal and lodging expenses of Our trainer(s).

ARTICLE 6: MAINTENANCE

6.1 Repairs and Maintenance

(a) You agree to maintain Your Center and its parking area in a "like new" condition and in conformity with the requirements set forth in the Manual or other writings issued by Us. You agree to replace Center equipment as necessary or desirable and to obtain any new or additional equipment as may be reasonably required by Us for new products or procedures. You agree to take all such action as requested by Us promptly within a reasonable time period after receipt of such request. If You have failed to take any action within fifteen (15) days after Our notice, We may, in addition to all other remedies, enter Your Center and effect the corrective action contained in the notice, and You shall immediately pay the costs incurred by Us in taking such action.

(b) Except as may be expressly provided in the Manual, no changes of any kind in design, equipment or decor will be made in, on or about Your Center premises without prior written approval of in each instance. You will obtain, repair, maintain and replace all equipment, signs and other Center items at Your sole cost.

6.2 Modernization

In order to compete effectively and to assure the continued success of Your Center, You agree to modernize Your Center premises, parking area and equipment every five (5) years (or sooner if required by Your Lease) to Our then-current standards and specifications for a new Center. Modernization may require, among other things, expenditures for structural changes, replacement or renovation of equipment, signs, fixtures and furnishings; interior and exterior remodeling and redecoration; installation of new equipment; technology additions and upgrades; resurfacing of parking areas; and modifications to existing improvements. We will consider the useful life of the capital improvements in developing our standards for remodeling. You understand and agree that this obligation is in addition to other obligations under this Agreement, such as repair, maintenance and purchase of new equipment.

ARTICLE 7: MARKETING AND ADVERTISING

7.1 Marketing, Promotion and Advertising Programs

The parties recognize the value of marketing, advertising and promotions to enhance the goodwill and public image of the System. We agree that We will develop marketing, promotion and advertising programs designed to promote and enhance the collective success of all THE CAMP TRANSFORMATION CENTER businesses. It is expressly agreed that in all respects of such marketing, promotion and advertising (such as type, quantity, timing, placement and choice of media, market areas and advertising agencies), Our decisions made in good faith will be final and binding. Your participation in all such advertising and sales promotion programs must be in full and complete accordance with any terms and conditions as We may have established.

7.2 Grand Opening Marketing

We may require you to pay $5,000 to us or our affiliates (the "**Grand Opening Fee**") for promotions and marketing activities that we will carry out on your behalf during the time period from 60 days before Your Center opens until 14 days after Your Center opens. Alternatively, we may require you to spend a minimum of $5,000 directly for the applicable promotions and marketing activities, including with third parties that we designate.

7.3 Local Marketing

(a) You agree to pay to us or to spend directly, as we designate, the greater of 2% of Gross Sales or $3,000 per month for local marketing of Your Center in its trade area (**"Local Marketing**"). This obligation is in addition to Your obligation for grand opening promotion.

(b) You will not make any contributions or donations of items, services or money to any individual or entity, or provide any type of other benefit to any charitable, religious, political, social, civic or other type of organization (or to any individual on behalf of any such organization) in the name of Your Center or otherwise associate with the Marks, without our prior express written consent.

(c) You will not establish Your own "eclub" marketing campaigns, Gift Card programs, Loyal Customer programs, any social media, or other such programs as designated in the Manual without Our prior written approval.

(d) You will not issue any press release without Our prior express written approval.

7.4 Digital Marketing Management

We may require You to obtain digital marketing management services from one or more designated vendors, which may include us or our affiliates. You agree to pay the monthly fees charged by the designated vendors for their services (**"Digital Marketing Management Fees"**). The vendors may change their prices and we may change vendors in the future.

7.5 Marketing Fund

(a) In order to maximize the general public recognition and acceptance of THE CAMP TRANSFORMATION CENTER businesses, We may, when We believe it is appropriate to do so,

establish a THE CAMP TRANSFORMATION CENTER Marketing Fund and require You to contribute to the Marketing Fund.

(b) We will use monies from the Marketing Fund to pay for the production and development costs of materials to be used in marketing all Centers and for advertising, marketing and promotion of Centers generally, including without limitation, costs and expenses related to the employment of advertising agencies, payment of talent and residuals, research and development, design and development of trademarks and logos, promotions, public relations market research, reimbursement to Us, Our Affiliates or the Company of general and administrative expenses, and allowances directly related to marketing of Centers and clearance of marketing, advertising and promotional programs.

(c) The Company-owned Centers operated by our affiliates will contribute to the Marketing Fund the same percentages of Gross Sales as the franchised Centers in the continental United States.

(d) We will deposit the Marketing Fund contributions into one or more separate accounts, which will not be considered one of Our assets.

(e) We agree to cause an annual accounting of the Marketing Fund and to make the results of the accounting available to You upon request. If the accounting is made by an independent accounting firm, the expenses thereof shall be paid from the Marketing Fund.

(f) You agree that We have no obligation in administering the Marketing Fund to make expenditures for You or others which are equivalent or proportionate to the contribution(s) made or to ensure that any particular franchisee benefits directly or pro rata from any marketing program or advertising.

7.6 Marketing Fund Policies

(a) We will develop and modify from time to time as necessary a Marketing Fund Policy which will include procedures and guidelines for disbursements and expenditures from the Marketing Fund.

(b) All monies in the Marketing Fund, including any interest or other income earned from the investment of such monies, must be spent and disbursed only in accordance with this Agreement and the Marketing Fund Policy, which may be modified from time to time at Our discretion so long as all monies are used to pay for marketing, promotion and advertising programs for THE CAMP TRANSFORMATION CENTER businesses in the United States of America.

7.7 Temporary Investment

We may temporarily invest any or all of the monies held in the Marketing Fund from time to time at Our sole discretion in accordance with the Marketing Fund Policy. We will use any interest or other income received from such investments to pay for the expenses of administering the Marketing Fund pursuant to the Marketing Fund Policy. Interest or income received from temporary investments that exceed the reasonable expenses of administering the fund will be considered part of the Marketing Fund.

7.8 Ad Co-ops

(a) We may at Our discretion designate any geographical area as a basis for an Ad Co-op for the purpose of marketing, advertising and promoting THE CAMP TRANSFORMATION CENTER businesses in that area, including Company Centers. The Ad Co-op will also serve as means of exchanging ideas, sharing information and problem solving.

(b) You agree to become a member of an Ad Co-op at any time the Center is located within the designated area for such Ad Co-op.

(c) You agree to execute and deliver any such Ad Co-op agreements or undertakings required by such Ad Co-op, to make contributions as required of its members, and to maintain Your status as a member in good standing of such Ad Co-op at all times.

(d) We may establish and revise the requirements for approval of Ad Co-ops, the amount of contribution by members to each such Ad Co-op, and exemptions from membership or temporary suspensions of contributions.

(e) Your contributions to the Ad Co-op will be applied to your Local Marketing obligation. However, the mandatory contribution to an Ad Co-op may exceed Your Local Marketing requirement if the Ad Co-op members agree to additional funding in accordance with established Bylaws.

7.9 Approval of Advertising

(a) You must use only advertising copy and other materials which are in strict compliance with Our requirements, as set forth in the Manual or otherwise. All of Your advertising, promotion and marketing must be completely clear and factual, not misleading, and conform to the highest standards of ethical marketing and the promotion policies.

(b) If You wish to use other or modified materials, You must submit to Us, in each instance and at least thirty (30) days prior to first use, the proposed advertising copy and materials for approval in advance of publication. You may use only advertising materials which have been approved in writing by Us.

(c) In no event will Your advertising contain any statement or material which may be considered (i) in bad taste or offensive to the public or to any group of persons or (ii) defamatory of any person or an attack on any competitor.

7.10 Digital Marketing and Electronic Communications

Unless we have agreed to it in writing, You may not use, register, maintain, or sponsor any website, URL, social media, blog, messaging system, email account, user name, text address, mobile application, or other electronic, mobile or Internet presence that uses or displays any of the Marks (or any derivative thereof) or that promotes any products or services of the Franchise. The use of any electronic medium constitutes advertising and promotion subject to our approval under Section 7.9. You agree not to post or transmit, or cause any other party to post or transmit, advertisements or solicitations by telephone, email, text message, instant message, website, social media, mobile apps, VoIP, streaming media, or other electronic media that are inconsistent with our brand advertising guidelines and standards. The brand advertising standards may include the use of disclaimers, warnings, and other statements that We may prescribe. You

are responsible for ensuring that Your employees do not violate the policies relating to the use of social media by Franchisee. All social media accounts, profiles, pages, and registrations that primarily promote the Marks or the Franchise must be requested through us. We will register them in our own name and provide you with administrative access only, retaining ownership and ultimate control for ourselves. We may offer to provide, or may require that you have, a website for your Franchise (which may be structured as a separate page of a consumer website(s) supported by the Marketing Fund).

ARTICLE 8: ACCOUNTING AND RECORD KEEPING

8.1 Point of Sales System

(a) Before the opening of Your Center and at Your own expense, You agree to procure and install the computer hardware, software, Internet connections and service, required dedicated telephone and other computer-related accessories, peripherals and equipment that are required in the Manual (the **"Point of Sales System"**).

(b) You agree to accurately, consistently and completely record and provide through the Point of Sales System all information concerning the operation of Your Center that We require, in the form and at the intervals that We require, as set forth in the Manual.

(c) We will have independent access to Your Point of Sale System, and We may retrieve from Your Point of Sales System all information that We consider necessary, desirable or appropriate.

8.2 Accounting Information

You understand and agree that We may under Section 8.1 require You to use software which will generate accounting information which will be accessible to Us electronically. You also agree that We may require You, following written notice or as part of the Manual, to send to Us in the form and within the time schedules set forth in the Manual, hard copy or other form of reports and information. These may include Profit and Loss Statements, Balance Sheets and Statements of Cash Flow, sales tax returns, and income tax returns.

8.3 Accounting Records

You agree to maintain and preserve for a minimum of seven (7) years from the date of preparation full, complete and accurate books, records and accounts in accordance with generally accepted accounting principles and in the form and manner prescribed by the Manual.

ARTICLE 9: AUDITS AND INSPECTIONS

9.1 Audit Rights

You agree that We will at all times have the following audit rights:

(a) Our representatives may on a reasonable basis review, inspect and copy any and all accounting records, tax records and other such documents, as they determine, in their sole discretion as being necessary to audit Your compliance with this Agreement.

(b) If any inspection or audit reveals that the Gross Sales reported in any report or statement are less than the actual Gross Sales calculated during such inspection, and/or fees owing are otherwise miscalculated, then You will immediately pay Us the additional amount of fees owing by reason of the understatement of Gross Sales previously reported and/or other miscalculation, together with interest as provided in Section 2.3. In the event that any report or statement by You understated gross sales and/or fees owing by more than two percent (2%) as calculated during Our inspection, You will, in addition to paying for the additional fees and interest, pay and reimburse Us for any and all expenses incurred in connection with its inspection, including, but not limited to, reasonable accounting and legal fees. Such payments will be without prejudice to any other rights or remedies We may have under this Agreement or otherwise. In addition, We may at Our sole discretion require a complete and full audit in accordance with generally accepted accounting principals and by a certified public accountant acceptable to Us, at Your expense.

9.2 Surveys, Inspections, and Corrections

(a) You agree to, at Your expense, participate in surveys regarding guest satisfaction, Center inspections, and other on-site or remote reviews of Your operations. In addition, You will cause the reports of all such inspections or surveys be sent to Us.

(b) We will make periodic calls or visits to Your Center as We deem advisable. You agree that Our representatives will have the right at any time, and from time to time, without notice to enter Your Center for the purpose of inspecting its condition and its operations for compliance with Our requirements contained in this Agreement and in the Manual, and for any other reasonable purpose connected with the operation of Your Center.

(c) You agree to incorporate into Your Center any reasonable corrections and modifications We require to maintain Our standards of quality and uniformity, as quickly as is reasonably possible and using all resources at Your disposal.

9.3 Books and Records

Without limiting the generality of Section 9.2, Our representatives will have the right at all times during normal business hours to confer with Your Center's employees and customers, and to inspect Your books, records and tax returns, or such portions thereof as pertain to the operation of Your Center. All of Your books, records and tax returns will be kept and maintained at Your Center, at Your primary office or such other place as may be agreed to from time to time in writing by the parties.

9.4 Ownership Records

If You are not an individual or sole proprietorship, You must maintain an accurate ownership register or other list of names, addresses and interests of all Your record and beneficial owners. Upon ten days written notice from Us, You will deliver to Us a copy of such register and/or list of owners, certified by Your chief executive officer to be correct. During any audit or other inspection under this Section 9, You will allow Our representatives to inspect and copy such register and/or list.

ARTICLE 10: RELATIONSHIP OF PARTIES AND INDEMNIFICATION

10.1 Relationship

You are not, and will not represent or hold Yourself out as being an agent, legal representative, joint venture, partner, employee or servant of Us for any purpose whatsoever and, where permitted by law to do so, will file a business certificate to such effect with the proper recording authorities. You are an independent contractor and are not authorized to make any statement or commitment on behalf of Us, or to create any obligation, express or implied, on behalf of Us. You agree that We are not in any way a "fiduciary" in regards to You. You will not use the name THE CAMP, THE CAMP TRANSFORMATION CENTER or any similar words as part of the name of a corporation or other business entity directly or indirectly associated with You, unless otherwise authorized by Us in writing.

10.2 Indemnification

You agree to hold harmless, defend, and indemnify Us, Our Affiliates, and our and our Affiliates' respective past, present, and future officers, directors, shareholders, employees, agents, affiliates, successors and assigns (collectively, "**Protected Parties**") from and against (i) any and all claims based upon, arising out of, or in any way related to the operation or condition of any part of Your Center or Center premises, the conduct of Your Center's business, the ownership or possession of real or personal property, or any negligent act, misfeasance or nonfeasance by You or any of Your agents, contractors, servants, employees or licensees, including Your failure to perform any of Your obligations under this Agreement (collectively, "**Claims**"); and (ii) any liabilities, damages, losses, and expenses the Protected Parties incur as a result of such Claims, including but not limited to reasonable attorneys' fees, costs of investigation, settlement costs, fines, civil penalties, and interest charges (collectively, "**Expenses**"). To the extent permitted by law, this indemnity includes Claims and Expenses alleged to be caused by the negligence of the Protected Parties, unless (and then only to the extent that) the Claim or Expense is finally determined by a court to have been caused solely by the gross negligence or willful misconduct of the Protected Parties. With respect to any threatened or actual litigation, proceeding, or dispute that could directly or indirectly affect any of the Protected Parties, the Protected Parties will have the right, but no obligation, to: (i) choose counsel; (ii) direct, manage, and control the handling of the matter; and (iii) settle any Claim on behalf of the Protected Parties. Your obligations under this Section are not limited by the amount of your insurance coverage. This Section will survive the expiration or termination of this Agreement.

ARTICLE 11: INSURANCE

11.1 Insurance

You will obtain before beginning construction or remodeling of Your Center and will maintain in full force and effect during the entire term of this Agreement, at Your sole cost and expense, an insurance policy or policies protecting You and Us against any and all loss, liability or occurrence, arising out of or in connection with the construction, condition, operation, use or occupancy of Your Center or Your Center premises. We will be named as an additional insured in all such policies, workers' compensation excepted.

11.2 Policies

In all events, the insurance policy or policies will include at least the following:

(a) Comprehensive general liability insurance, including products liability coverage with minimum coverage of $1,000,000 per occurrence and $3,000,000 in the aggregate.
(b) Property insurance covering the perils of fire and extended coverage, vandalism and malicious mischief with coverage to be at replacement cost.
(c) Liability for owned, non-owned and hired vehicles with minimum coverage of $1,000,000 per occurrence and $3,000,000 in the aggregate.
(d) Umbrella liability insurance policy providing a minimum of $5,000,000 coverage including the above limits.
(e) Course of construction insurance at replacement cost.
(f) Workers' compensation insurance as required by applicable state law.
(g) Business interruption insurance (reasonable coverage and time limit).

Your obligation to maintain this insurance will not be limited in any way by reason of any insurance maintained by Us.

11.3 Qualified Insurance Carrier

All insurance policies required by this Agreement must be written by a responsible insurance company or companies satisfactory to Us, and in accordance with the minimum limits set forth in Section 11.2 above, which may be changed from time to time by Us at Our discretion to reflect changed conditions. Each insurance company must be rated no less than A VII by A.M. Best and Company. You must maintain such additional insurance coverage and increased limits that We may reasonably consider advisable for a Center business in the area where Your Center is located.

11.4 Certificates

Upon obtaining the insurance required by this Agreement and on each policy renewal date thereafter, You will deliver to Us for Our approval certificates of insurance showing compliance with the requirements of Section 11.1. Such certificates must state that the policy or policies will not be canceled or altered without at least thirty (30) days' prior written notice to Us. Maintenance of such insurance and the performance by You of Your obligations under this Section 11 will not relieve You under the indemnity provisions of this Agreement or limit such liability.

11.5 Failure to Insure

If You, for any reason, fail to obtain and maintain the insurance coverage required by this Section, We will have the right and authority to obtain immediately such insurance coverage, and to charge the cost thereof plus a ten percent (10%) processing fee to You, which charges will be paid immediately upon notice and will be subject to charges for late payments in the manner set forth in Section 2.3 hereof.

ARTICLE 12: DEBTS AND TAXES

12.1 Debts and Taxes

You will pay promptly when due all debts and other obligations incurred directly or indirectly in connection with Your Center and its operation; including, without limitation, all obligations to vendors, suppliers and landlords; all taxes and assessments that may be assessed against Your Center land, building and other improvements, equipment, fixtures, signs, furnishings and other property; and all liens and encumbrances of every kind and character incurred by or on behalf of You in conducting Your Center business. You may protest or contest any of such amounts so long as such protest or contest does not adversely affect the continued business of Your Center or possession of Your Center premises.

ARTICLE 13: PRINCIPALS, SALE AND ASSIGNMENT, RESTRICTIONS

13.1 Definition of Principals; Personal Guarantees

For purposes of this ARTICLE 13, the term "**Principals"** will include the persons signing this Agreement as Principals, any of Your future owners, the owners' spouses, and any trust for the benefit of any such Principal. Unless We have given Our written consent to the contrary, each of the Principals signing this Agreement hereby personally guarantees, jointly and severally, the full payment and performance of Your obligations under this Agreement. We have unrestricted right to approve all owners and any future owners. Each Principal agrees to sign the Personal Guarantee in **Attachment 1** to this Agreement**.**

13.2 Authorized Agent

You and the Principals appoint the following individual owner (the **"Authorized Agent"**) with full authority to act on behalf of You and the Principals in regard to performing, administering or amending this Agreement: _____. We may deal completely with the Authorized Agent in such regard unless and until Our actual receipt of written notice from You and the Principals of the appointment of a successor to the Authorized Agent.

13.3 Personal Contract; Consent Mandatory

You agree that a material part of the consideration for Our entering into this Agreement is the personal confidence We have in You and the Principals. No person will succeed to any of Your rights under this Agreement by virtue of any voluntary or involuntary proceeding in bankruptcy, receivership, attachment, execution, assignment for the benefit of creditors, other legal process or transfer not expressly authorized and consented to by Us. Except as expressly provided for in this Agreement, any attempt by You to transfer any of Your rights or interest under this Agreement will constitute a material breach of this Agreement, and in such event We will have the right to terminate this Agreement upon written notice to You. We will not be bound by any attempted transfer in any manner whatsoever, by law or otherwise, of any of Your rights or interests under this Agreement except as permitted by this ARTICLE 13.

13.4 Form of Legal Entity

(a) If You have been organized under applicable law as a legal entity such as a corporation, partnership or limited liability company (hereinafter referred to as a "**Legal Entity**")

or if Your interests in this Agreement are to be transferred to a Legal Entity, such Legal Entity must be expressly approved in advance and in writing by Us and You must comply with this Section 13.4 and any other condition which We may require, including a limitation on the number of owners of the Legal Entity. We have unrestricted right to approve all equity owners and any future owners. We will not charge a transfer fee for forming such a Legal Entity. If You are a Legal Entity as of the date of this Agreement, You and the Principals represent that the ownership information provided to Us is correct and complete as of the Agreement Date. You and the Principals agree to give us written notice of any proposed change in the ownership information before such change takes place. You must maintain a current list of all stockholders, general partners, limited partners, members, or other direct and indirect beneficial owners (as applicable) and furnish the list to us upon request.

(b) Unless We provide Our prior written consent to the contrary, the Legal Entity must satisfy the following conditions and such other conditions as We may require under the circumstances:

(i) The Legal Entity must be closely held with the single purpose of operating THE CAMP TRANSFORMATION CENTER businesses.
(ii) The Principals will own and control not less than fifty and one-tenth percent (50.1%) of the voting rights of the Legal Entity or otherwise satisfy Us that the Principals have a controlling ownership interest in and operational control of the Legal Entity.
(iii) There will not be more than ten (10) owners of the Legal Entity.

(c) You must notify Us of any proposed issuance or transfer of a direct or indirect ownership interest in the Legal Entity and await our approval before making any such issuance or transfer. Each such notice from You must identify the proposed transferor and transferee and provide a complete and accurate description of the proposed transferee sufficiently detailed to allow Us to make a reasoned decision of approval or disapproval.

(d) The organizational documents of the Legal Entity must contain the restrictions set forth in Subsections 13.4(b) and (c) above and in this Subsection 13.4(d). You will cause to be printed on each certificate or other document of ownership of the Legal Entity a legend referencing the restrictions contained herein, which will read substantially as follows:

> "The transfer of ownership in this company is subject to the terms and conditions of a THE CAMP TRANSFORMATION CENTER Franchise Agreement. Reference is made to such Franchise Agreement and to the restrictive provisions contained in the organization documents of this company."

13.5 No Transfer of Interest in the Franchise without Our Consent

Neither Franchisee nor any owner of Franchisee may sell, assign, give away, pledge, or encumber, either voluntarily or by operation of law (such as through divorce or bankruptcy proceedings) any direct or indirect interest in this Agreement, in the assets of the Center, or in the equity ownership of the Legal Entity without obtaining our prior written consent. No transfer that requires our consent may be completed until at least 60 days after we receive written notice of the proposed transfer. Franchisee and the Principals agree to provide all information and documentation relating to the proposed transfer that we request. We will not unreasonably withhold our consent, but we can impose reasonable conditions. Franchisee and the Principals

agree that the conditions in Sections 13.6 through 13.9 below are reasonable and that they do not preclude other reasonable conditions that we may impose. If we have not responded within 60 days after receiving all requested information, we will be deemed to have refused consent. This section applies to any transfer that would occur by any mechanism, including but not limited to family financial planning, estate planning, corporate reorganization, issuance or offering of securities, employee ownership plans, divorce, new marriage, bankruptcy, or receivership. If Franchisee is a Legal Entity, this Section also applies to the transfer of an indirect ownership interest in Franchisee that would result in a change of control of Franchisee. We have the right to communicate with and counsel Franchisee, the Principals, and the proposed transferee on any aspect of a proposed transfer. Unless otherwise agreed, we do not waive any claims against the transferring party if we approve the transfer. If we do not approve the transfer, you must continue to operate the Franchise in accordance with this Agreement.

13.6 Transfer of Controlling Interest

(a) The conditions set forth in this Section apply (unless waived by Us) to a proposed transfer of this Agreement and/or substantially all of the assets of the Franchise, as well as to a proposed transfer of any direct or indirect equity ownership interest in Franchisee that would result in a change of control of Franchisee. In considering a request for transfer, We will consider, among other things, the qualifications, apparent ability and credit standing of the proposed transferee as if he or she were a prospective direct purchaser of a franchise from Us. If the proposed transferee is already a franchisee of The Camp, that fact does not guarantee approval to become the operator of the Franchise. We have no less discretion with respect to a proposed transferee than we have with granting a new THE CAMP TRANSFORMATION CENTER franchise. In addition, but without limitation, We will require as conditions to the granting of Our consent all of the following:

(i) There must be no existing default in the performance or observance of any of Your obligations under this Agreement or any other agreement You have with Us or our Affiliates;
(ii) You must settle all outstanding accounts with Us and our Affiliate(s);
(iii) You must pay Us a Transfer Fee of $10,000;
(iv) The proposed transferee must appoint a Designated Operator acceptable to Us;
(v) The Designated Operator and each owner of the transferee with 10% or more of the outstanding voting interests must attend and complete Our initial training program to Our reasonable satisfaction;
(vi) You and/or the transferee must complete any repairs, design changes, remodeling, redecorating, equipment upgrades, and technology upgrades that we deem necessary under Section 6 to reflect our then-current THE CAMP TRANSFORMATION CENTER standards and image. If the work will not be completed before the transfer takes place, the transferee must obtain our approval of arrangements to complete the work on a schedule satisfactory to us;
(vii) The proposed transferee must execute Our then-current form of Franchise Agreement for a full new term;
(viii) The transfer documents must contain a non-competition agreement by You and the Principals similar to that set forth in this Agreement at subsection 4.11(f);
(ix) If You and/or Your Principals finance any part of the sale price of the transferred interest, You and Your Principals must agree that all of the

proposed transferee's obligations are subordinate to the transferee's obligations to pay amounts due to Us and Our Affiliate(s); and

ix) Such other requirements as We may in Our discretion deem reasonably necessary, including a general release of any claims against Us.

(b) Neither this Agreement, any of the rights conferred on You hereunder nor any ownership interests in the purchasing franchisee may be retained by You (as the transferring franchisee) as security for the payment of any obligation that may arise by reason of any such transfer.

13.7 Transfer of Minority Ownership Interest

For any proposal to admit a new owner, to remove an existing owner, or to change the distribution of ownership of the Center or Legal Entity, or for any other transaction that amounts to the transfer of a minority interest in the Franchise, You must give us advance notice and submit a copy of all proposed contracts and other information concerning the transfer that we may request. We will have a reasonable time (not less than 45 days) after we have received all requested information to evaluate the proposed transfer. We may withhold our consent or give our consent subject to the conditions in Section 13.6 that we deem to be applicable. Any proposed new owner must submit a personal application and sign a Personal Guarantee in our then-current form.

13.8 Death and Disability

(a) In the event of the death or legal incapacity of one of the Principals, the decedent's estate or You must immediately notify Us, and within thirty (30) days after such notice further notify Us of a proposed successor to the interests of the deceased or legally incapacitated individual (the "**Successor**"). If We approve the Successor, he or she will replace the decedent as a Principal hereunder. The transfer will be subject to the provisions of Sections 13.5 through 13.7, as we determine to be applicable. In addition, if the deceased or incapacitated Principal is the Designated Operator, we will have the right (but no obligation) to take over operation of the Center upon giving notice to the executor, administrator, personal representative, or trustee and to manage the Franchise until the transfer is completed. If we exercise this right, we can charge a reasonable management fee for our services.

(b) In the event We do not approve the Successor, We will so notify You, and You or the decedent's estate will use Your best efforts within the six (6) months from the date of such written notice from Us to sell the interests in this Agreement and Your Center to a bona fide purchaser in accordance with and subject to all of the provisions of this ARTICLE 13. If by the end of such six-month period, You have not consummated a transfer of such interest or stock in a transaction which meets the requirements of this ARTICLE 13, We will have the option to purchase all of such interest in Your Center and franchise or in the ownership of the Legal Entity at the fair market value thereof as determined in good faith by an independent appraiser selected as set forth in subsection (c) below.

(c) The procedure for determining the fair market value or other terms of purchase shall be that We and You shall each select one appraiser and such two appraisers shall select a third appraiser, and the third appraiser shall make the necessary determination, with the costs of appraisal to be borne equally by You and Us.

(d) If We in Our discretion decide that the death or disability of an individual, a Principal or a Successor will result in unsatisfactory operation of Your Center, We may take over operation of Your Center temporarily, and You will reimburse Us for all of Our costs and compensate Us for Our efforts at an amount equal to 5% of Gross Sales during such time.

13.9 Right of First Refusal

We have the right, exercisable within 45 days after receipt of the notice specified in Section 13.5, to send written notice to you that we intend to purchase the interest proposed to be transferred. The request for approval of transfer must include a true and complete copy of the term sheet, letter of intent, proposed purchase agreement, assignment document, description of financing or other contingencies, and any other documents reasonably necessary to support a prudent business decision on whether to exercise the right of first refusal. We can assign our right of first refusal to someone else either before or after we exercise it. If the proposed transfer is a sale, we or our designee may purchase on the same economic terms and conditions offered by the third party. Closing on our purchase must occur within 60 days after the date of our notice to the seller electing to purchase the interest. If we cannot reasonably be expected to furnish the same type of consideration as the third party, then we may substitute the reasonable equivalent in cash. If the parties cannot agree within 30 days on the reasonable equivalent in cash, or if the transfer is proposed to be made by gift, you and we will jointly designate and pay the cost of an independent appraiser, and the appraiser's determination will be final. We will have thirty (30) days after receipt of the appraiser's determination to decide whether to proceed with the purchase. Our decision not to exercise our rights under this Section does not constitute consent to the transfer to the third party. Nothing contained in this Section 13.9 will in any way be deemed to limit Our discretion in considering, approving or disapproving any request to transfer any interest under this Agreement. The transferor may complete the proposed transfer only after complying with Sections 13.5 through 13.8, as applicable. However, if we determine that the final sale price is less than the price at which we were entitled to purchase, we may refuse to give our consent to the transfer. Any material change in the third party's offer after we have elected not to purchase the seller's interest will constitute a new offer subject to the same right of first refusal as for the third party's initial offer. If closing of the transfer to the third party does not occur within 60 days after we give our consent, the third party's offer will be treated as a new offer subject to our right of first refusal.

13.10 Sale or Transfer by Us

We have the right to transfer or assign all or any portion of our rights or obligations under this Agreement to any person or legal entity. With respect to any assignment that results in the subsequent performance by the assignee of all of our obligations under this Agreement, the assignee will expressly assume our obligations and become solely responsible for them from the date of assignment. We can sell our assets, sell securities in a public offering or in a private placement; merge with, acquire, or be acquired by another company; or undertake a refinancing, recapitalization, leveraged buy-out, or other economic or financial restructuring, without restriction and without affecting your obligations under this Agreement.

ARTICLE 14: TRADEMARKS

14.1 Ownership

We have the sole and exclusive right (except for rights granted under existing and future franchise agreements) to use the Marks in connection with the products and services to which they are or may be applied by Us. You represent, warrant and agree that neither during the term of this Agreement nor after its expiration or other termination will You directly or indirectly contest or aid in contesting the validity, ownership or use of the Marks by Us or take any action whatsoever in derogation of the rights claimed therein by Us.

14.2 Nonexclusive License

The license granted under this Agreement to use the Marks is nonexclusive except to the extent otherwise specified herein, and We, in Our sole and absolute discretion, may grant other licenses in, to and under the Marks in addition to those licensees already granted, both within and outside Your Center's trading area, and to develop and license other names and marks on any such terms and conditions as We deem appropriate.

14.3 Other Uses

We and our Affiliates have the exclusive, unrestricted right to engage directly and indirectly, at wholesale, retail and otherwise, within Your Center trading area and elsewhere, in (a) the production, distribution and sale of services and products under the Marks licensed hereunder or other marks; and (b) the use, in connection with such production, distribution and sale, of any and all trademarks, trade names, service marks, logos, insignia, slogans, emblems, symbols, designs and other identifying characteristics as we and our Affiliates may develop or use from time to time. The license granted to You under this Agreement does not include any right or authority of any kind whatsoever to pre-package or sell products under the Marks. We have the sole and exclusive right to such rights at all times and at all locations.

14.4 Goodwill

Nothing contained in this Agreement will be construed to vest in You any right, title or interest in or to the Marks, the goodwill now or hereafter associated therewith, or any right in the design of any Center, other than the rights and license expressly granted herein of the term hereof. Any and all goodwill associated with or identified by the Marks will inure directly and exclusively to Our benefit, including without limitation any goodwill resulting from operation and promotion of Your Center.

14.5 Use of Marks

You will use only the Marks designated by us and use them only in the manner we authorize. You will not use the Marks in connection with any statement or material which may, in Our judgment, be in bad taste or inconsistent with the THE CAMP TRANSFORMATION CENTER public image, or tend to bring disparagement, ridicule or scorn upon Us, the Marks or the goodwill associated therewith. You, whether doing business as a proprietorship or Legal Entity, will not adopt, use or register (by filing a certificate or articles of incorporation, a fictitious business name statement, or otherwise) any trade name or business name, style or design which includes, or is similar to, any of THE CAMP TRANSFORMATION CENTER identifying characteristics. You will not use any Marks in association with any other marks or in association with products, materials

or services of others, except as we expressly authorize in writing. You will not use any of the Marks on any employment applications, employee forms, employee manuals, employee policies, pay stubs, benefits forms, payroll records, or other materials directed towards Your employees or prospective employees. We will defend You (using legal counsel chosen by Us) and indemnify You from any claims of infringement regarding Your use of the Marks, so long as You were using the Marks properly and as authorized by this Agreement.

14.6 Changes in Marks

We will have the right at any time and from time to time upon notice to You to make additions to, deletions from, and changes in the Marks, or any of them, all of which additions, deletions and changes will be as effective as if they were incorporated in this Agreement. All such additions, deletions and changes will be made in good faith, on a reasonable basis and with a view toward the overall best interest of THE CAMP TRANSFORMATION CENTER Centers generally.

14.7 Infringements

You will notify Us promptly of any claims or charges of trademark infringement against Us or You, as well as any information You may have of any suspected infringement of the Marks. You will take no action with regard to any such matters without Our prior written approval, and will cooperate fully with Us in dealing with any infringement or claim of infringement.

ARTICLE 15: EXPIRATION AND TERMINATION

15.1 Events of Default

(a) In addition to any other rights of termination set forth in this Agreement, We will have the right to terminate this Agreement immediately upon written notice to You if any of the following events occurs:

(i) In the event of any breach or default under Sections 4.3(e) (failure to comply with applicable laws), 5.2 or 5.3 (mandatory training), 9.2 (surveys, inspections, and corrections), 13.3 and 13.5 (unauthorized transfer) or 13.7 (right of first refusal);

(ii) If a petition in bankruptcy, an arrangement for the benefit of creditors or a petition for reorganization is filed by or against You, or if You make any assignment for the benefit of creditors, or if a receiver or trustee is appointed for Your Center, unless remedied to Our satisfaction within twenty (20) days;

(iii) If You for any reason lose Your right to possession of Your Center premises;

(iv) If We discover that You have made any material misrepresentation or omitted any material fact in the information furnished by You in connection with the grant of this franchise;

(v) If You (or any Principal) are convicted of any felony or other criminal conduct which is relevant to operation of Your Center or if You engage in conduct which reflects materially and unfavorably upon the operation and reputation of the THE CAMP TRANSFORMATION CENTER business or System. Once You or any Principal has been arrested or formally charged, We will have the right: (i) to require that the individual(s) charged be removed from any active role in the Center pending final disposition of the charges; and (ii) if the person(s) charged include the Designated Operator, to take over operation of the Center and to manage the Center pending

final disposition of the charges. If We exercise the right in clause (ii), We may charge a reasonable management fee for our services;

(vi) If You or any Principal appears on any government list of "blocked" persons or Your assets, property, or interests are "blocked" under any anti-terrorism law or similar law that prohibits Us from doing business with You or the Principal;

(vii) If You or any Principal misuses or makes any unauthorized use of the Proprietary Marks or otherwise materially impairs the goodwill associated therewith or Our rights therein, or if You or any Principal directly or indirectly contests the validity of the Proprietary Marks or Our right to use and to license others to use the Proprietary Marks;

(viii) If You abandon Your Center by failing to operate it for five consecutive days or lesser period if the facts and circumstances indicate that You do not intend to continue to operate Your Center (except as a result of fire, flood, earthquake or similar causes beyond Your control); or

(ix) If We make a reasonable determination that continued operation of Your Center by You will result in an imminent danger to public health or safety.

(b) If You default in any other requirement of this Agreement, including the requirement to comply with the mandatory elements of the System and the Manual, You will have thirty (30) days after written notice of default from Us to cure the default and avoid termination (except in the case of a default in payment to Us, for which only ten (10) days written notice is required, and except in the case of failure to achieve Minimum Sales Requirements by the end of a Probation Period, for which no further opportunity to cure is required).

(c) We have the right to treat a default under any other agreement that You or Your affiliate have with us as a default under this Agreement, subject to any applicable provisions for notice and cure set forth in the other agreement. For purposes of this section, "Your affiliate" means a person or business entity controlling, controlled by, or under common control with Franchisee.

(d) We may terminate this Agreement immediately, upon written notice to You and without any cure period: (i) if You cure a default under subparagraph (b) but the same default occurs again within one (1) year; or (ii) if you receive three (3) or more written notices of default from Us under subparagraph (b) within any eighteen (18) month period, whether the defaults are of a similar or different nature and whether or not any of them is cured after notice.

(e) If we terminate this Agreement based on Your default, you must pay us liquidated damages in a lump-sum amount equal to: (a) Your average monthly Royalty Fees, Marketing Fund Fees, Digital Marketing Management Fees, and other fees payable to us and our affiliates in the twelve months before our delivery of notice of default, (b) multiplied by the lesser of 12 or the number of months remaining in the term of this Agreement. You and we acknowledge that a precise calculation of the damages we would incur from Your material default causing the premature termination of this Agreement is difficult to determine, and that this lump sum payment constitutes a reasonable estimate. This lump sum payment is in lieu of our damages for lost future revenue, but it is in addition to all amounts provided in Sections 15.5, 15.6 and 16.8 and other costs and expenses to which we are entitled to reimbursement under the terms of this Agreement. Your payment of this lump sum will not affect our right to recover damages other than lost future revenue. This Section is not an authorization for You not to peform Your obligations, nor does it represent an alternative manner of performance. This Section does not preclude, and is not inconsistent with, a court granting us specific performance or any other equitable remedies, such

as an injunction, to prevent breaches or to enforce this Article 15, our trademark rights, our rights to Confidential Information, and the covenants set forth in Section 4.11.

(f) The provisions of this Section 15.1 are subject to the provisions of any local statutes or regulations which may prohibit Us from terminating this Agreement without good cause or without giving You additional prior written notice of termination and opportunity to cure any default.

15.2 Our Pre-Termination Options

If we have given You written notice of a default that is reasonably likely to have an adverse effect on the Marks, the goodwill associated with them, or the reputation of the Centers, we will have the right to take the actions set out below to protect the Marks and the System until you have cured the default to our satisfaction:

(a) Remove Your Center from our website and social media, any advertising published or approved by us, and any non-mandatory marketing programs;

(b) Suspend access to services, programs, and Confidential Information that we are not obligated to make available to you (which may include, for example, technology systems, online live and recorded workouts and other digital content and services for fitness customers, vendor arrangements, and business advice); and/or

(c) Prohibit You and Your personnel from attending any meetings, seminars or training held or sponsored by us or taking place on our premises.

The taking of any of the actions permitted in this Section 15.2 will not suspend or release You from any obligation that would otherwise be owed to us or our affiliates under the terms of this Agreement. These actions are in addition to our rights to bring a claim for damages or an injunction and/or to terminate this Agreement if you do not cure the default.

15.3 Termination by You

You may terminate this Agreement following ninety (90) days written notice to Us if We materially breach this Agreement and fail to cure such breach within such ninety-day period.

15.4 Our Rights to Acquire Approved Location and Franchise Assets.

Upon expiration of this Agreement or its termination by You or us under any circumstances, at our option, You are required to:

(a) Assign to us Your interest in the lease or sublease for the premises of Your Center (or provide us with a commercially reasonable lease if You or Your affiliate owns the premises). If we elect not to exercise our option to acquire the lease, You must make modifications or alterations to the premises as necessary to comply with Section 15.5 below and to distinguish the premises from those of a Center.

(b) Sell to us such of the furnishings, equipment, signs, and fixtures of Your Center as we may designate, at fair market value, and such of the inventory and supplies on hand as we may designate, at fair market wholesale value. If the parties cannot agree on the price of any such items within a reasonable time, we will appoint an independent appraiser at our expense, and the

appraiser's determination will be final. We will have thirty (30) days after receipt of the appraiser's determination to decide whether to proceed in whole or in part with the purchase. If we exercise our option to purchase any items, we will have the right to set off any amount due from You against any payment for the items.

(c) We can exercise either or both of our options under clauses (a) and (b): (i) at any time before the expiration of the Agreement Term, in the case of expiration of this Agreement; and (ii) at any time between the date of delivery of written notice of termination and thirty (30) days after the effective date of termination, in the case of termination of this Agreement. To preserve the value of these options, we may issue to you, and you must comply with, written instructions to refrain from, delay, or reverse any of the actions required of you under Section 15.5.

15.5 Requirements Upon Expiration or Termination

Except as provided in Section 15.4, upon the expiration or earlier termination of this Agreement for any reason, You must:

(a) Cease to operate Your Center, change Your business telephone number, and make any additional changes that we request to dissociate yourself and the premises of Your Center from the System. You must eliminate entirely THE CAMP TRANSFORMATION CENTER signs, graphics, and trade dress and change the interior design and color scheme to a color which is unmistakably different from the THE CAMP TRANSFORMATION CENTER image and design, so that there will no longer be any indication to the public that the premises were a those of a Center;

(b) Remove all branded presence of the Franchise online and in any mobile network or other electronic marketing or communications channel, including but not limited to any social media, blog, messaging system, email account, user name, text address, directory, or smart phone application;

(c) Cease to use the Confidential Information (including the Manual and member data), the Marks, and all other distinctive elements associated with the System, return all materials in your possession or control that contain Confidential Information or bear any of the Marks, and delete all such materials from all devices in Your possession or control;

(d) Within 5 business days, deliver to us: (i) full contact details and membership agreements for all members of Your Center; and (ii) the names of all other persons who have inquired about membership and/or challenges within the previous 6 months. You must comply with all terms of the membership agreements and applicable laws with respect to the closing of Your Center, including but not limited to ensuring that all members with prepaid membership fees receive appropriate refunds or credits. You are required to notify all members of the closing as soon as possible and offer them assistance with transferring their membership to another THE CAMP TRANSFORMATION CENTER location. You are required to provide any assistance we request to honor Your obligations to the members, and we reserve the right to contact members directly. You may not retain or use any data derived from the member contracts, sell or transfer any such data to any other person, or share such data with any other person, including any person that is an affiliate or owner of Franchisee or a family member of an owner;

(e) Withdraw all advertising that can be canceled and remove all The Camp-branded products from the premises of Your Center;

(f) Cancel any assumed name registration and transfer to us any domain name or similar registration that contains "The Camp" or any variation of any Marks, and furnish evidence satisfactory to us of compliance with this obligation within five (5) days after termination or expiration of this Agreement;

(g) Not directly or indirectly represent Yourself to the public or hold Yourself out as a present or former THE CAMP TRANSFORMATION CENTER franchisee; and

(h) Not use any reproduction, counterfeit, copy, or colorable imitation of the Marks in connection with any other business that, in our opinion, is likely to cause confusion, mistake, or deception or to dilute our and our affiliates' rights in and to the Marks. You must not use any designation of origin or description or representation that falsely suggests or represents an association or connection with us.

You hereby appoint us as Your attorney in fact to carry out the requirements of this Section 15.5 if You fail to do so within a reasonable time. You agree that we will have the right to enter the premises of Your former Center and to contact your landlord and other third parties to make any required changes that You fail to make. You agree to reimburse us on demand for any costs that we incur to carry out Your obligations.

15.6. Continuing Obligations.

After expiration of this Agreement or its termination under any circumstances, You will remain liable to us for certain obligations. Among other things, you must:

(a) Promptly pay all sums owing to us and our affiliates;

(b) Permit access to and examination of Your books and records as provided in Section 9 to determine any amounts due;

(c) Protect the Confidential Information as provided in Section 4.5;

(d) Not make any statements about us or our affiliates that may constitute trade disparagement;

(e) Comply with the post term restrictions on competition in Section 4.11; and

(f) Indemnify us with respect to the period through the effective date of expiration or termination as provided in Section 10.2.

15.7 Trademark Infringement

If You refuse to comply with a written notice of termination sent by Us and a court later upholds such termination of this Agreement, any operation of Your Center by You from and after the date of termination stated in such notice will constitute trademark infringement by You and You will be liable to Us for damages resulting from such infringement in addition to any royalties paid or payable hereunder, including, without limitation, Your profits.

ARTICLE 16: MISCELLANEOUS

16.1 No Implied Waiver

The waiver by Us of any breach or default, or series of breaches or defaults, of any term, covenant or condition herein or of any same or similar term, covenant or condition in any other agreement between Us and any franchisee will not be deemed a waiver of any subsequent or continuing breach or default of the same or any other terms, covenants or conditions contained in this Agreement, or in any other agreement between Us and any franchisee.

16.2 Right and Remedies

All of Our rights and remedies will be cumulative and not alternative, in addition to and not exclusive of any other rights or remedies provided for herein or which may be available at law or in equity in case of any breach, failure or default or threatened breach, failure or default of any term, provision or condition of this Agreement. Our rights and remedies will be continuing and not exhausted by any one or more uses thereof, and may be exercised at any time or from time to time as often as may be expedient; and any option or election to enforce any such right or remedy may be exercised or taken at any time and from time to time. The expiration or earlier termination of this Agreement will not discharge or release You from any liability or obligation then accrued or any liability or obligation continuing beyond or arising out of the expiration or earlier termination of this Agreement.

16.3 Consents

Whenever the consent of a party is sought or required hereunder, such consent will not be unreasonably withheld.

16.4 Partial Invalidity

If any part of this Agreement will for any reason be declared invalid, unenforceable or impaired in any way, the validity of the remaining portions will not be affected thereby, and such remaining portions will remain in full force and effect as if this Agreement had been executed with such invalid portion eliminated. It is hereby declared the intention of the parties that they would have executed the remaining portion of this Agreement without including therein any such portions which might be declared invalid; provided, however, that in the event any part hereof relating to the payment of fees to Us, or the preservation of the Marks, trade secrets or secret formulae licensed or disclosed hereunder is for any reason declared invalid or unenforceable, then We will have the option of terminating this Agreement upon written notice to You.

16.5 Governing Law

This Agreement and the relationship between Us, You and the Principals is governed by and will be construed in accordance with the law of the state where Your Center is located (without giving effect to any conflict of laws principles).

16.6 Mediation and Litigation

(a) Except as set forth in Subsection 16.6(c), any dispute arising out of this Agreement or the relationship between Us and You and/or the Principals must first be submitted to non-binding mediation administered by a neutral mediation service and mediator with experience in

franchise disputes. Participants in the mediation must sign a confidentiality agreement before participating. The mediation will take place in the city where our principal office is located at the time the demand for mediation is filed. Once a party has submitted a dispute to mediation, the obligation to attend will be binding on all parties.

(b) Notwithstanding the foregoing: (i) nothing in this Agreement bars You or us from seeking preliminary injunctive or declaratory relief against a breach or threatened breach of this Agreement that will cause us or you loss or damage; and (ii) we shall not be compelled to mediate (1) any claim or dispute involving actual or threatened disclosure or misuse of our confidential information or trade secrets; (2) any claim or dispute involving the ownership, validity, or use of the Marks; or (3) any action by us to enforce the restrictions set forth in Section 4.11 of this Agreement. You and the Principals must file any lawsuit against Us only in the federal or state court where our principal office is located at the time the suit is filed. We may file a lawsuit against You or the Principals in the federal or state court where our principal office is located or where Your Center is or was located. The parties waive all objections to personal jurisdiction and venue for purposes of carrying out this provision.

16.7 Time Limit on Filing

A claim or action under Section 16.6 is barred unless a demand for mediation, or lawsuit is filed and served within two (2) years from the occurrence of the facts giving rise to the claim or action.

16.8 Attorneys Fees

You agree to reimburse us for all expenses we reasonably incur (including reasonable attorneys' fees) to enforce the terms of this Agreement or any obligation owed to us by You and/or the Principals, whether or not a demand for mediation or a lawsuit is filed.

16.9 Waiver of Certain Damages

To the extent permitted by law, we, You and the Principals waive any right to or claim of punitive, exemplary, multiple, or consequential damages and agree to be limited to the recovery of actual damages sustained, except that we do not waive our right to seek indemnification under Section 10.2 for any such damages claimed or awarded against Us.

16.10 Class Action Waiver.

TO THE EXTENT PERMITTED BY LAW, YOU AND THE PRINCIPALS WAIVE THE RIGHT TO SEEK CERTIFICATION OF A CLASS IN ANY ACTION, PROCEEDING, OR COUNTERCLAIM AGAINST US IN LITIGATION.

16.11 Notices

All notices and other communications required or permitted to be given hereunder will be deemed given when delivered in person, sent by telefax to such person's telefax number with copy by regular mail, sent by an established overnight delivery service or mailed by certified mail addressed to the recipient at the address set forth below, unless that party will have given such written notice of change of address to the sending party, in which event the new address so specified will be used. If mailed, such notice shall be deemed to have been received three days

after mailing, and if sent by overnight deliver, such notice shall be deemed to have been received the day following sending.

Us: The Camp Franchise Systems, LLC
5871 Pine Avenue, Suite 200
Chino Hills, CA 91709
ATTN: LLC Manager

You: _____

_____

_____

16.12 Terms and Headings

All terms used in this Agreement regardless of the number and gender in which they are used, will be deemed and construed to include any other number, singular or plural, and any other gender, masculine, feminine or neuter, as the context or sense of this Agreement may require, the same as if such words had been written in this Agreement themselves. The headings inserted in this Agreement are for reference purposes only and will not affect the construction of this Agreement or limit the generality of any of its provisions. Definitions are presented in bold face solely for ease of reference.

16.13 Compliance with Laws

You will at Your own cost and expense promptly comply with all laws, ordinances, orders, rules, regulations, and bonding requirements of all federal, state and municipal governments and appropriate departments, commissions, boards and offices thereof. Without limiting the generality of the foregoing, You will abide by all applicable rules and regulations of any Public Health Department.

16.14 Entire Agreement

This Agreement and the documents referred to herein constitute the entire agreement between the parties and supersede and cancel any and all prior and contemporaneous agreements, understandings, representations, inducements and statements, oral or written, of the parties in connection with the subject matter hereof. Nothing in this Agreement or any related agreement is intended to disclaim the representations We have made in Our Franchise Disclosure Document.

16.15 Amendment or Modification

Except as expressly authorized herein, no amendment or modification of this Agreement will be binding unless executed in writing by both Us and You.

ARTICLE 17: AMENDMENT OF PRIOR AGREEMENTS

17.1. Amendment of Prior Agreements.

In order to enhance consistency and quality of operation, performance, dispute resolution and other matters, we amend our standard Franchise Agreement from time to time. As a result, this Agreement may be different from other THE CAMP TRANSFORMATION CENTER franchise agreements that you or your affiliates may have signed with us in the past and may contain revised provisions regarding, among other things, modifications to the System, manner of payment of fees and late fees, duties of franchisee, protection of trademarks, status and protection of Manuals and Confidential Information, advertising, insurance, accounting and records, transfers, default and termination, obligations on termination, franchisee covenants, taxes, indemnification, obligations to defend, approvals and waivers, notices, construction of agreement and applicable law. To cooperate with us in the achievement of these goals and as a condition of the grant of an additional franchise, You agree that all of Your existing THE CAMP TRANSFORMATION CENTER franchise agreements with us, and all existing THE CAMP TRANSFORMATION CENTER franchise agreements between any affiliate of Yours and us, are amended to match the provisions of this Agreement (if the existing franchise agreements do not already include these provisions) except with respect to the amounts of fees and royalties, territory description, Center address, contract term, renewal conditions, and transfer conditions set out in the prior agreements, which will remain unchanged. YOU ACKNOWLEDGE THAT THIS SECTION 17.1 AMENDS ALL OF YOUR EXISTING FRANCHISE AGREEMENTS WITH US AND THAT THE AMENDMENT WILL SURVIVE THE EXPIRATION OR TERMINATION OF THIS AGREEMENT.

17.2. Material Modification – for California Centers Only.

If You or Your affiliates previously entered into one or more THE CAMP TRANSFORMATION CENTER franchise agreements with us for a Center located in California, Section 17.1 may constitute a material modification of those existing franchise agreements under California law. If that is the case, then with respect to each existing franchise agreement for a Center located in California, if You notify us in writing within five business days after executing this Agreement that You (or Your affiliate, as applicable) rescind this modification of the existing franchise agreement(s) for Centers located in California, this Franchise Agreement will be null and void and You will not have the right to develop a Center under this Franchise Agreement.

[Signature page follows]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written.

You:	**Us:**
_____	THE CAMP FRANCHISE SYSTEMS, LLC
_____	By: _____

Principals:

Printed Name: _____ % Ownership: _____

Signature: _____

Printed Name: _____ % Ownership: _____

Signature: _____

Printed Name: _____ % Ownership: _____

Signature: _____

Attachment 1

PERSONAL GUARANTEE

For good and valuable consideration, the receipt of which is hereby acknowledged, each of the undersigned (the "**Guarantors**") hereby personally guarantees, jointly and severally, the due, punctual and full payment and performance of each and all of the obligations of the franchisee ("**Franchisee**") under the THE CAMP TRANSFORMATION CENTER Franchise Agreement dated _____, 20____ by and between the Franchisee and The Camp Franchise Systems, LLC ("**Franchisor**") and hereby individually undertakes to be bound by all of the terms of such Franchise Agreement.

It is the intention of the undersigned that this Personal Guaranty shall be full and absolute. Accordingly, each of the Guarantors hereby waives and agrees not to assert or take advantage of any right or defense based on the absence of any presentment, demand (including demands for performance), notice and protest of each and every kind and of any right to require the Franchisor or its assignee to proceed against Franchisee or any other person or to pursue any other remedy before proceeding against a Guarantor.

This Personal Guaranty applies to, binds and inures to the benefit of the Guarantors and their heirs, devisees, legatees, executors, administrators, representatives, successors and assigns. The Franchisor may assign its rights hereunder without reducing or modifying the liability of any Guarantor hereunder.

IN WITNESS WHEREOF, each of the Guarantors has executed this Personal Guaranty as of the date set forth below.

_____ _____

_____ _____

("**Guarantors**")

Dated:_____

Attachment 2

CONFIDENTIALITY AGREEMENT

The undersigned Employee of _____ ("**Employer**"), which has applied for a THE CAMP TRANSFORMATION CENTER franchise, hereby agrees that he or she shall not, while employed by Employer or following such employment, communicate to, or use for the benefit of, any other person, persons, partnership, or corporation any confidential information, knowledge, or know-how concerning the methods of operation of a THE CAMP TRANSFORMATION CENTER business; provided, however, that the foregoing does not include information which the Employee can demonstrate came to his or her attention prior to being employed by Employer or which has become a part of the public domain through publication or communication by others.

The Employee agrees to promptly disclose to Employer, any and all ideas, improvements, processes, names, menu items, and enhancements to the franchised business which Employee alone or with others invents, discovers makes or conceives ("**Innovations**") at any time during, and for a period of one year after employment in a THE CAMP TRANSFORMATION CENTER. All such Innovations will be deemed the sole and exclusive property of The Camp Franchise Systems, LLC (the "**Franchisor**"). The Franchisor has the right to incorporate such Innovations into the System without compensation to the Employee.

Any failure to comply with the requirements of this Confidentiality Agreement will cause Employer and the Franchisor irreparable injury, and Employee agrees that in addition to any other right or remedy provided by law, Employer and/or the Franchisor shall be entitled to specific performance of, or an injunction against violation of, the requirements of this Confidentiality Agreement.

The Employee agrees that upon termination of his or her employment with Employer for any reason, he or she will return all copies of documents containing confidential information or trade secrets to Franchisee, including without limitation the THE CAMP TRANSFORMATION CENTER Confidential Manual(s).

IN WITNESS WHEREOF, the undersigned has executed this document in consideration of his or her employment by the Franchisee.

DATED: _____

Print Name: _____

Signature: _____

Attachment 3

SITE SELECTION ADDENDUM

This Site Selection Addendum supplements the Franchise Agreement dated _____ between THE CAMP FRANCHISE SYSTEMS, LLC ("we" or "us") and the undersigned Franchisee ("you"). We and you are signing this Addendum because the business location of Your Center has not been determined as of the time of signing the Franchise Agreement. This Addendum governs the site selection process. Capitalized terms not otherwise defined in this Addendum have the same meaning as in the Franchise Agreement.

1. Search Area and Deadline. You must submit a proposed business location for Your Center within ninety (90) days after signing the Franchise Agreement. The proposed site must be within the following geographic area (the "Search Area"):

   _____

   The Search Area is not exclusive to you. Other franchisees may search for proposed sites at the same time within the same area.

2. Submission of Proposed Site. Before committing to lease or purchase the proposed site, you must submit all information and materials we reasonably require for review of the proposed site, including (1) a letter of intent or other evidence that confirms your favorable prospects for obtaining control of the proposed site, and (2) a description and/or photographs of the proposed site and information as to accessibility, visibility, potential traffic flows, other demographic information, and lease terms.

3. Site Evaluation. We will evaluate the proposed site in light of our then-current standards and policies. The policies may consider the proximity and potential impact of a proposed site on existing Centers and/or those planned or in development. We will conduct an on-site evaluation of the proposed site, unless we waive this requirement in our sole discretion. If we determine that additional site evaluations are necessary, or if you request additional evaluations or inspections, or if you change the proposed location, you must reimburse us for all reasonable expenses we incur (such as the cost of travel, lodging, meals, and wages) in connection with providing such services.

4. Site Approval. We will communicate our acceptance or rejection of the proposed site within 30 days after conducting the on-site evaluation or receiving all information and materials requested for the site review, whichever is later. No proposed site is approved unless an authorized officer of The Camp Franchise Systems, LLC has expressly approved it in writing. You authorize us to insert the street address of the approved site in Section 1.1 of the Franchise Agreement.

5. Lease Approval. If you will occupy the proposed site under a lease, you must submit the lease to us before you sign it. The lease must contain the provisions listed in the attached Lease Rider, except to the extent we agree to waive those requirements. You must send us a copy of the signed lease and Lease Rider within ten (10) days after their execution.

6. Collateral Assignment. At our request, you must sign a Collateral Assignment of Lease in the form acceptable to us and the landlord providing that, in the event of: (i) your default

under the lease, (ii) your ceasing to operate the Center, or (iii) termination or expiration of the Franchise Agreement, we will have the option to assume all of your rights and obligations under the lease; to cure, if necessary, your default under the lease; and to operate the Center from the premises.

7. Termination. If you have not obtained our approval of a business location for Your Center within nine (9) months after signing the Franchise Agreement, we will have the right to terminate the Franchise Agreement.

8. Effect of Review and Approval. Our review is solely for the purpose of determining whether your proposed site is within our brand criteria for a Center. Our approval of the site is not a representation or guarantee of the viability, likely success, or profitability of a Center at that location.

THE CAMP FRANCHISE SYSTEMS LLC	**FRANCHISEE**
By:_____	By:_____
Title: _____	Print Name:_____
	Title:_____

Attachment – Form of Lease Rider

LEASE RIDER

THIS ADDENDUM dated _____ amends and supplements the Lease Agreement dated _____ (the **"Lease"**) between _____ ("**Lessor**") and _____ (**"Lessee"**), a franchisee of The Camp Franchise Systems, LLC (**"Franchisor"**). Lessee intends to operate a THE CAMP TRANSFORMATION CENTER franchise at the premises specified in the Lease (the **"Premises"**) under the terms of a Franchise Agreement between Lessee and Franchisor (the **"Franchise Agreement"**).

Lessor and Lessee agree as follows:

1. Lessor consents to Lessee's use of the marks, signage, décor items and color scheme prescribed by Franchisor for THE CAMP TRANSFORMATION CENTER franchises.

2. The use of the Premises is restricted solely to the operation of a THE CAMP TRANSFORMATION CENTER franchise during the term of the Franchise Agreement.

3. Lessee is prohibited from subleasing or assigning all or any part of its occupancy rights or from extending the term of or renewing the Lease without Franchisor's prior written consent.

4. Lessor will provide Franchisor with copies of all written notices of default given to Lessee under the Lease and a reasonable opportunity to cure the default on Lessee's behalf.

5. Franchisor has the right to enter the Premises to make modifications necessary to protect its Marks and System (as defined in the Franchise Agreement) or to cure any default under the Franchise Agreement or under the Lease. Lessor agrees not to interfere with or prevent entry by Franchisor, its employees or agents.

6. Franchisor has the option, within thirty (30) days after expiration or termination of the Franchise Agreement, and upon notice to Lessor, to assume (or to have Franchisor's designee assume) all of Lessee's rights and obligations under the Lease, including any right to assign or sublease.

7. Lessee has the right, without the prior approval of Lessor, to remodel the Premises as and when required by the Franchise Agreement.

8. Lessee has the right, without Lessor's prior approval, to assign the Lease or sublet the leased Premises to Franchisor or to any other franchisee of Franchisor.

9. Lessor and its affiliates will not lease space within one-half mile of the Premises to a business offering the same or similar health and fitness and/or weight control services or goods as a typical THE CAMP TRANSFORMATION CENTER business.

10. Lessor and Lessee will not amend the Lease in any manner which could materially affect the foregoing provisions without Franchisor's prior written consent.

11. Franchisor is a third party beneficiary with the independent right to enforce the provisions of this Addendum.

LESSOR

By: _____

LESSEE

By: _____

EXHIBIT B

AREA DEVELOPMENT AGREEMENT



®

AREA DEVELOPMENT AGREEMENT

THE CAMP TRANSFORMATION CENTER®
AREA DEVELOPMENT AGREEMENT

TABLE OF CONTENTS

RECITALS 1
1. GRANT OF DEVELOPMENT RIGHTS 1
  1.1 Development Commitment 1
  1.2 Your Territorial Rights 1
  1.3 Other Distribution Channels 1
  1.4 Not Transferable 1
2. DEVELOPMENT OF CENTERS 2
  2.1 Development Schedule 2
  2.2 Deadlines 2
  2.3 End of Territory Rights 2
3. DEVELOPMENT FEE 3
  3.1 Development Fee 3
  3.2 Amount of Fee 3
4. DEVELOPMENT PROCEDURES 3
  4.1 Development Process 3
  4.2 Franchise Agreements 3
  4.3 Mandatory Compliance 4
  4.4 Buildout Requirements 4
5. EXISTING CENTERS; ACQUISITIONS 4
  5.1 Existing Centers 4
  5.2 Conversion Centers 4
6. TERM 5
7. DEFAULT 5
  7.1 Missed Deadline 5
  7.2 Other Defaults 5
  7.3 Cross-Defaults 5
8. PRINCIPALS; LEGAL ENTITY; COVENANTS 5
  8.1 Definition of Principals 5
  8.2 Personal Guarantees 5
  8.3 Form of Legal Entity 5
  8.4 Financial Statements 6
  8.5 Conflicts of Interest 6
9. INDEMNIFICATION 7
10. MISCELLANEOUS 7
  10.1 General Provisions 7
  10.2 Acknowledgments 9

EXHIBIT A: DEVELOPMENT AREA
EXHIBIT B: DEVELOPMENT SCHEDULE
EXHIBIT C: CONFIDENTIALITY AGREEMENT

THE CAMP TRANSFORMATION CENTER®

AREA DEVELOPMENT AGREEMENT

THIS AREA DEVELOPMENT AGREEMENT dated _____, 20___, is between The Camp Franchise Systems, LLC, a California limited liability company ("**We**", "**Us**" or "**Our**"), on the one hand, and _____, a _____ _____ organized under the laws of the State of _____("**You**" or "**Your**"), and the person(s) executing this Agreement as the "**Principals**", on the other hand.

In consideration of the mutual promises set forth herein, the parties agree as follows:

1. GRANT OF DEVELOPMENT RIGHTS

1.1 Development Commitment. We hereby grant You the right, and You undertake the obligation, to open and operate the number of THE CAMP TRANSFORMATION CENTER facilities ("**Centers**") shown in Section 2.1 of this Agreement, solely within the geographic area specified in **Exhibit A** attached hereto and incorporated herein by reference (the "**Development Area**").

1.2 Your Territorial Rights. Until Your rights to the Development Area end under Section 2.3, We will not: open or operate, or authorize anyone else to open or operate, any Centers within the Development Area, except for:

(a) Existing Centers, as defined in Section 5.1 below;

(b) Conversion Centers, as defined in Section 5.2 below;

(c) Centers located at a "**Non-Traditional Venue",** which means a site or location for which the lessor, owner or operator thereof shall have indicated its intent to limit the operation of its facilities to itself or a master concessionaire and which site or location is either (i) within another primary business or (ii) at an institutional setting such as a school, college and university, military and other governmental facility, hospital, hotel, limited access highway, shopping mall, airport, toll road, office or in-plant facility, sports arena and stadium; and

(d) Centers obtained through our exercise of any first refusal rights contained in any Franchise Agreement between You and Us.

1.3 Other Distribution Channels. We and our affiliates retain the unrestricted right to produce, license, distribute and market products (such as nutritional/healthy products, weight control products, supplements, food and beverages, other pre-packaged products, books, clothing, souvenirs and novelty items) and services using the name THE CAMP TRANSFORMATION CENTER or any other name or mark, within the Development Area or anywhere else, and through any distribution channel, at wholesale or retail, including retail outlets, supermarkets, and convenience stores or by means of the Internet, mail order catalogs, direct mail advertising and other distribution methods.

1.4 Not Transferable. This Agreement is a personal, non-transferable commitment by You to Us based on the personal confidence reposed by Us in the Principals. No person will succeed to any of Your rights under this Agreement by virtue of any voluntary or involuntary proceeding in bankruptcy, receivership, attachment, execution, assignment for the benefit of

creditors, other legal process or transfer not expressly authorized and consented to by Us. Except as expressly provided for in this Agreement, any sale, transfer, encumbrance or assignment by You or any of the Principals of this Agreement or of any interest in You without our written consent will cause the immediate and automatic termination of this Agreement, and We will have no further liability or obligation to You or the Principals pursuant to this Agreement.

2. DEVELOPMENT OF CENTERS

2.1 Development Schedule.

(a) You agree to develop at least a total of _____ (___) Centers (the "**Required Centers**") within the Development Area during the term of this Agreement in strict accordance with the Development Schedule set forth in **Exhibit B** attached hereto and incorporated herein by reference (the "**Development Schedule**").

(b) The Development Schedule contains a specific number of Required Centers to be opened and operated by You within the Development Area during certain time periods. If any Centers within the Development Area are closed for business (except for authorized holidays or temporarily for major repairs or otherwise with Our prior written consent), such Centers will not be included in computing the number of open and operating Required Centers and in satisfying the deadlines set forth in the Development Schedule.

(c) Unless we otherwise agree in writing, a Center located at a Non-Traditional Venue will not count toward satisfaction of the Development Schedule.

2.2 Deadlines. The parties acknowledge and agree that the deadlines set forth in the Development Schedule are of the essence of this Agreement. No modification or amendment to the Development Schedule or any consent to or waiver of any deadline or other obligation of this Agreement will either (a) create any obligation to grant additional modifications, amendments, consents or waivers, or (b) be effective unless made by written agreement of the parties.

2.3 End of Territory Rights.

(a) The Development Area is defined for the sole purpose of reserving the area in which You can look for sites to develop Centers during the period covered by Your Development Schedule. **The Development Area expires and ceases to exist at the earlier of: (i) when you complete the Development Schedule, or (ii) termination of this Agreement for any reason, including Your failure to meet a deadline in the Development Schedule.** When the Development Area expires under this Agreement:

(1) You will retain only the territorial protection granted under the Franchise Agreements you have signed, if any; and

(2) We will have no obligation to issue additional Franchise Agreements to You for a Center in the former Development Area, except for locations we approved in writing before expiration of the Development Area; and

(3) We will be free to establish, and to franchise others to establish, Centers at any location in the former Development Area, except as may be otherwise provided under the terms of any Franchise Agreement that remains in effect between us and you.

(b) Notwithstanding the foregoing, if You successfully complete the Development Schedule (i.e., You have the minimum number of Required Centers open and in operation at the end of the last Development Period in the Development Schedule), then for a period of _____ years after the Development Area expires, you will have a right of first refusal for the development of any new Centers in the former Development Area. We will notify You in writing of our determination that one or more additional Centers should be developed in the former Development Area and offer You the right to develop such Center(s). If after 30 days following mailing of such notice, We have not received Your written notice to exercise the right of first refusal, We may develop such Centers within the former Development Area or authorize other(s) to do so.

3. DEVELOPMENT FEE

3.1 Development Fee. In consideration of Our grant to You of the right to develop Centers as provided for herein, You agree to pay to Us upon execution of this Agreement the amount specified in Section 3.2 below (the "**Development Fee**"). The Development Fee is non-refundable and is fully earned by Us upon execution of this Agreement, as a result of the grant of rights to You and Our forbearance from developing the Development Area Ourselves or through other parties. You will not be entitled to a refund of the Development Fee under any circumstances, even if you do not open any of the Required Centers.

3.2 Amount of Fee. The total Development Fee to be paid by You upon execution of this Agreement is $_____.

4. DEVELOPMENT PROCEDURES

4.1 Development Process. For each Center, you must:

(a) Identify and obtain a site at Your own expense. We will furnish You with our general criteria for site selection and with site selection counseling and assistance as we deem appropriate. Before acquiring a site by lease or purchase, You must submit any information and materials we request to evaluate the site, along with a letter of intent or other evidence of Your ability to obtain the site. We will either approve or reject a proposed site within thirty (30) days after receiving all information and materials we have requested for the site. No site will be deemed to have received our approval unless it has been approved in writing by an officer of The Camp with authority to give approval;

(b) At the time You propose a specific location, demonstrate satisfaction of our then-current financial and operational criteria for expansion to an additional Center; and

(c) If we approve the location and you obtain control of it by lease or purchase, sign a separate Franchise Agreement for the location, as provided in Section 4.2 below, along with a release of claims.

4.2 Franchise Agreements. When we receive a signed copy of the lease and lease rider for the approved site, we will issue a Franchise Agreement with the address of the site inserted. At our option, the Franchise Agreement will be (i) in the same form we were offering to new franchisees at the time You signed this Agreement; or (ii) in the standard form of franchise agreement we are then offering to new franchisees, which may include fees, operating requirements, and restrictions that are materially different from the standard form of franchise agreement we were offering at the time You signed this Agreement. You must return the signed

Franchise Agreement within twenty (20) days of your receipt of the Franchise Agreement, or we can withdraw our approval of the site. For each Required Center, You will receive a credit from the Development Fee for the amount of the initial franchise fee. For each additional Center, if any, you will pay us the full amount of our then-current initial franchisee fee.

4.3 Mandatory Compliance. We will have no obligation to review or approve a proposed site or to issue a Franchise Agreement while You are in material breach of any Franchise Agreement or other agreement you have with us.

4.4 Buildout Requirements. You will utilize Your own financial, real estate, construction and any other resources required to develop Centers. You agree to comply with the requirements of the Franchise Agreement and any additional requirements provided for in the Manual.

5. EXISTING CENTERS; ACQUISITIONS

5.1 Existing Centers. Exhibit A to this Agreement lists (a) any Centers that we or an affiliate operates within the Development Area as of the date of this Agreement, and (b) any present or proposed franchised Centers in the Development Area as of the date of this Agreement ("**Existing Centers**")" Unless You are purchasing the Existing Centers pursuant to separate agreement, You agree that the Existing Centers may be developed and continue to operate as Centers notwithstanding their location in the Development Area. In any event, the Existing Centers will not count toward meeting Your development obligations hereunder.

5.2 Conversion Centers.

(a) We may during the term hereof acquire a fitness center business from a third party with the intention of converting some or all of the locations of the acquired business to THE CAMP TRANSFORMATION CENTER locations, in which event You agree that We may so convert any acquired centers located within the Development Area ("**Conversion Centers**") so long as We first satisfy the following conditions:

(i) We will send You a written offer to purchase the acquired center(s) that we propose to convert within the Development Area at Our total acquisition cost for the acquired centers (including without limitation "soft" costs as defined below).

(ii) You will have thirty days from the date our offer is sent to accept the offer.

(iii) Your failure to accept our offer within the thirty day period will constitute rejection of the offer.

(b) If You have accepted the above offer and converted the acquired location(s) to Our satisfaction, such Conversion Center(s) will apply toward meeting Your development obligations under the Development Schedule. If We convert or authorize another party to convert the acquired location(s), such Conversion Center(s) will not count toward Your obligations under the Development Schedule.

(c) As used in Section 5.2(a)(i), "**soft costs**" means all internal and external costs incurred by Us in connection with the acquisition. These will include, without limitation, cost of funds, personnel time (e.g., in analyzing, negotiating, approving and permitting the acquisition,

etc.), and out-of-pocket expenses (e.g., travel, lodging, meals, professional fees to attorneys, architects, engineers, etc.) in connection with the acquisition, as applied pro rata to each acquired location being offered to You.

6. TERM

The term of this Agreement ends at the end of the last Development Period set forth in Exhibit B.

7. DEFAULT

7.1 Missed Deadline. TIME IS OF THE ESSENCE of this Agreement. Your failure to meet any deadline set forth in the Development Schedule will constitute a material default under this Agreement. If You fail to meet a deadline, We may at any time thereafter immediately terminate this Agreement effective upon written notice from Us. The termination of this Agreement will have no effect on any Centers then operating in the Development Area or on any franchises to be issued for sites We have approved in writing before terminating this Agreement.

7.2 Other Defaults. In addition to our termination right in Section 7.1, if You fail to cure any other material default under this Agreement within thirty (30) days after receipt of notice of default from us, this Agreement will terminate at the end of the 30-day period without further notice from us.

7.3 Cross-Defaults. A default by You under any Franchise Agreement or other agreement with us will constitute a material default under this Agreement, in which event We may terminate this Agreement unless such default is timely cured in accordance with the term of the pertinent agreement or applicable law.

8. PRINCIPALS; LEGAL ENTITY; COVENANTS

8.1 Definition of Principals. For purposes of this Article 8, the term "**Principals**" will include the persons executing this Agreement as Principals or any trust for the benefit of such persons. We have the unrestricted right to approve all owners and any future owners.

8.2 Personal Guarantees. Unless We have given Our written consent to the contrary, each of the Principals signing this Agreement hereby personally guarantees, jointly and severally, the full payment and performance of Your obligations under this Agreement and under each and every Franchise Agreement to be entered into pursuant hereto.

8.3 Form of Legal Entity.

(a) If You are organized as a legal entity, such as a corporation, partnership or limited liability company (hereinafter referred to as a "**Legal Entity**"), the Principals must notify Us of the form of such Legal Entity and comply with this Section 8.3 and any other condition We may require. We have the unrestricted right to approve all equity owners and any future owners of the Legal Entity. We will not charge a transfer fee in connection with the initial formation of the Legal Entity.

(b) Unless We otherwise agree in writing, the Legal Entity must satisfy the following conditions and such other conditions as We may require under the circumstances:

(i) The Legal Entity must be closely held with the single purpose of developing and operating THE CAMP TRANSFORMATION CENTER Centers.

(ii) The Principal(s) (as defined in Section 8.1 above) will collectively own and control not less than fifty-one percent (51%) of the voting rights of the Legal Entity or otherwise satisfy Us that the Principals have operational control of the Legal Entity.

(iii) Not more than twenty percent (20%) in the aggregate of the voting rights of the Legal Entity will be owned beneficially or of record by institutional firms or publicly-held corporations.

(iv) There will be no public offerings of debt or equity ownership by or in the Legal Entity without Our prior written consent and approval.

(c) You must notify Us of any proposed issuance or transfer of an ownership interest in the Legal Entity and await our written approval before making any such issuance or transfer. Each such notice from You must identify the proposed transferor and transferee and provide a complete and accurate description of the proposed transferee sufficiently detailed to allow Us to make a reasoned decision on approval or disapproval.

(d) The organizational documents of the Legal Entity will contain the restrictions set forth in this Section 8.3. You will cause to be printed on each certificate or other document of ownership of the Legal Entity a legend referencing the restrictions contained herein, which will read substantially as follows:

> "Transfer of ownership in this company is subject to the terms and conditions of a THE CAMP TRANFORMATION CENTER Area Development Agreement and Franchise Agreement(s). Reference is made to such Agreements and to the restrictive provisions contained in this company's governing documents."

8.4 Financial Statements. You and the Principals agree that each will furnish Us every year during the term hereof a certified copy of the same form of annual financial statements required of the Franchisee in the Franchise Agreements provided for herein. Such financial statements must be received by Us not later than one hundred twenty (120) days after the last day of each fiscal year. Any amendments to such information will be sent to us promptly. TIME IS OF THE ESSENCE with respect to completion and submission of each such document.

8.5 Conflicts of Interest. While this Agreement is in effect, neither You nor any Principal will, directly or indirectly, without Our prior written consent, own, operate, engage in, be employed by, manage, perform any services for, become a lender or landlord of, provide any assistance to, or have any other interest in any Similar Business. "**Similar Business**" means any business offering the same or similar health and fitness and/or weight control services or goods as a typical THE CAMP TRANSFORMATION CENTER business. For one (1) year after the expiration or termination of this Agreement or after an approved transfer of the development rights or a controlling interest in You, neither You nor any Principal will, directly or indirectly, without Our prior written consent, own, operate, engage in, be employed by, manage, perform any services for, become a lender or landlord of, provide any assistance to, or have any other interest in any Similar Business which is located within the Development Area or within ten (10) miles of any

THE CAMP TRANSFORMATION CENTER business. Neither You nor any Principal will divert or attempt to divert any business or customer of Your Center, or of any other THE CAMP TRANSFORMATION CENTER business, to any Similar Business by direct or indirect inducement, advertising, or otherwise.

8.6 Confidentiality Agreements. You agree to obtain from each of the Principals, and from such other of Your representatives as we designate, a Confidentiality Agreement in the form attached hereto as **Exhibit C**. A copy of all such signed agreements shall be delivered to Us within one week of their execution.

8.7 Designated Operator. You must designate a dedicated professional with supervisory experience who will devote his or her full time, best efforts, and constant personal attention to the development and operation of the Required Centers, with full authority to act as authorized agent on Your behalf and on behalf of the Principals (the "**Designated Operator**"). The Designated Operator must be approved by Us and certified by Us as fully trained for development and Center operations. We have approved _____ as the initial Designated Operator. Any change in the identity of Your Designated Operator must be approved by Us in writing. Your development or operation of any Centers under the supervision of a Designated Operator we have not approved in writing is a material breach of this Agreement.

9. INDEMNIFICATION

You agree to indemnify Us, Our Affiliates and their respective officers, directors, employees, agents, affiliates, successors and assigns from and against (i) any and all claims based upon, arising out of, or in any way related to the development of Centers under this Agreement, the conduct of each Center's business, the ownership or possession of real or personal property of a Center, or any negligent act, misfeasance or nonfeasance by You or any of Your agents, contractors, servants, employees or licensees; (ii) Your failure to perform any of Your obligations under this Agreement; and (iii) any and all fees (including reasonable attorneys' fees), costs and other expenses incurred by Us or on Our behalf in the investigation of or defense against any and all such claims.

10. MISCELLANEOUS

10.1 General Provisions.

(a) The terms and conditions of this Agreement are confidential and restricted to the knowledge of the parties, the Principals, and their respective attorneys, accountants, advisors, and other persons whose knowledge of this Agreement are necessary for the implementation of the transaction contemplated hereby.

(b) The terms hereof are intended only to benefit the parties to this Agreement, and no one else is entitled to any benefits as a result of this Agreement or its terms and conditions.

(c) If a court declares any part of this Agreement to be invalid, unenforceable or impaired in any way, the remaining portions will not be affected thereby, and such remaining portions will remain in full force and effect as if this Agreement had been executed with such invalid portion eliminated.

(d) This Agreement and the relationship between Us, You and the Principals is governed by and will be construed in accordance with the law of the state where the

Development Area (or the principal portion of the Development Area) is located (without giving effect to any conflict of laws principles).

(e) Except as set forth in Subsection 10.1(f), any dispute arising out of this Agreement or the relationship between Us and You and/or the Principals must first be submitted to non-binding mediation administered by a neutral mediation service and mediator with experience in franchise disputes. Participants in the mediation must sign a confidentiality agreement before participating. The mediation will take place in the city where our principal office is located at the time the demand for mediation is filed. Once a party has submitted a dispute to mediation, the obligation to attend will be binding on all parties.

(f) Notwithstanding Subsection 10.1(e): (i) nothing in this Agreement bars You or us from seeking preliminary injunctive or declaratory relief against a breach or threatened breach of this Agreement that will cause us or you loss or damage; and (ii) we shall not be compelled to mediate (1) any claim or dispute involving actual or threatened disclosure or misuse of our confidential information or trade secrets; (2) any claim or dispute involving the ownership, validity, or use of the Marks; or (3) any action by us to enforce the restrictions set forth in Section8.5 of this Agreement. You and the Principals must file any lawsuit against Us only in the federal or state court where our principal office is located at the time the suit is filed. We may file a lawsuit against You or the Principals in the federal or state court where our principal office is located or where the Development Area is or was located. The parties waive all objections to personal jurisdiction and venue for purposes of carrying out this provision.

(g) A claim or action under this Agreement is barred unless a demand for mediation or lawsuit is filed and served within two (2) years from the occurrence of the facts giving rise to the claim or action.

(h) You agree to reimburse us for all expenses we reasonably incur (including reasonable attorneys' fees) to enforce the terms of this Agreement or any obligation owed to us by You and/or the Principals, whether or not a demand for mediation or a lawsuit is filed.

(i) To the extent permitted by law, we, You and the Principals waive any right to or claim of punitive, exemplary, multiple, or consequential damages and agree to be limited to the recovery of actual damages sustained, except that we do not waive our right to seek indemnification under Section 9 for any such damages claimed or awarded against Us.

(j) All notices related to this Agreement are required to be in writing and are required to be delivered in person or sent by certified mail, by national commercial delivery service, or by other written or electronic means which affords the sender reliable evidence of delivery or attempted delivery. For the avoidance of doubt, Our delivery of notice to the business email address that we have on file for You will constitute effective notice unless We receive a non-delivery message.

(k) All terms used in this Agreement, regardless of the number and gender in which they are used, will be deemed and construed to include any other number, singular or plural, and any other gender, masculine, feminine or neuter, as the context or sense of this Agreement may require, the same as if such words had been written in this Agreement themselves. All terms used herein shall have their customary meanings unless specified to the contrary. The headings inserted in this Agreement are for reference purposes only and will not affect the construction of this Agreement or limit the generality of any of its provisions. Words in bold face are done so for ease of reference only.

(l) Nothing in this Agreement or any related agreement is intended to disclaim the representations We have made in Our Franchise Disclosure Document. This Agreement and the documents referred to herein constitute the entire agreement between the parties and supersede and cancels any and all prior and contemporaneous agreements, understandings, representations, inducements and statements, oral or written, of the parties in connection with the subject matter hereof. Except as may be expressly authorized herein, no amendment or modification of this Agreement will be binding unless executed in writing by both parties.

10.2 Acknowledgments. BY INITIALING WHERE INDICATED, YOU EXPRESSLY ACKNOWLEDGE THAT:

(a) YOU HAVE ENTERED INTO THIS AGREEMENT AS A RESULT OF YOUR OWN INDEPENDENT INVESTIGATION, AFTER CONSULTATION WITH AN ATTORNEY OR OTHER ADVISOR(S) OF YOUR CHOICE, AND IN ANY EVENT NOT AS A RESULT OF ANY REPRESENTATIONS OF US, OUR AGENTS, OFFICERS OF EMPLOYEES EXCEPT AS CONTAINED HEREIN AND IN OUR FRANCHISE DISCLOSURE DOCUMENT DELIVERED TO YOU.

YOUR INITIALS:_____

(b) THE SUCCESS OF THE FRANCHISED CENTERS WILL BE LARGELY DEPENDENT UPON THE ABILITIES AND EFFORTS OF YOU AND THE PRINCIPALS, AND WE HAVE MADE NO WARRANTY OR GUARANTEE TO YOU THAT THE FRANCHISED CENTERS WILL BE SUCCESSFUL OR PROFITABLE.

YOUR INITIALS:_____

(c) YOU HAVE NOT RECEIVED AND ARE NOT RELYING UPON ANY FINANCIAL PROJECTIONS OR SIMILAR INFORMATION OR EARNINGS CLAIMS MADE BY US OR ANYONE ON ITS BEHALF EXCEPT AS CONTAINED IN OUR FRANCHISE DISCLOSURE DOCUMENT.

YOUR INITIALS:_____

(d) A COMPLETE COPY OF THIS AGREEMENT AS SIGNED BY YOU WAS RECEIVED BY YOU AT LEAST 7 CALENDAR DAYS PRIOR TO ITS EXECUTION BY YOU, AND A COMPLETE COPY OF OUR FRANCHISE DISCLOSURE DOCUMENT WAS RECEIVED AT LEAST 14 CALENDAR DAYS PRIOR TO YOUR EXECUTION OF THIS AGREEMENT.

YOUR INITIALS:_____

* * * * * * * * * * *

IN WITNESS WHEREOF, the parties have executed the Agreement as of the day, month and year first above written.

_____
(a _____)

By_____

Title: _____

PRINCIPALS:

_____ _____

_____ _____

THE CAMP FRANCHISE SYSTEMS, LLC

By _____

EXHIBIT A

DEVELOPMENT AREA

Your Name:

Description of Development Area:

Existing Centers (if any):

APPROVED:

YOU _____

US: _____

EXHIBIT B

DEVELOPMENT SCHEDULE

You agree to have the minimum number of Centers specified below (the "**Required Centers**") open in the Development Area during the Development Periods and in operation at the end of each of the Development Periods as listed below:

DEVELOPMENT PERIOD	**DEVELOPMENT REQUIREMENTS**	
ENDING ON:	TO BE OPENED DURING DEVELOPMENT PERIOD	CUMULATIVE NUMBER OF CENTERS OPEN AND IN OPERATION AT END OF DEVELOPMENT PERIOD
[date]		
[1 year from previous date]		
[1 year from previous date]		
[1 year from previous date]		
[1 year from previous date]		

APPROVED:

YOU: _____

US: _____

EXHIBIT C

CONFIDENTIALITY AGREEMENT

In consideration of receiving information regarding the operation of THE CAMP TRANFORMATION CENTER businesses ("**Centers**") the undersigned ("**Recipient**") agrees that:

1. Recipient will not (a) make unauthorized copies of, (b) disclose to any unauthorized person or (c) use for Recipient's benefit or a Center competitor's benefit any trade secrets or confidential information, knowledge or know-how about the methods of operating the Centers ("**Confidential Information**") except only for information which Recipient can show was known by him or her before receiving such information from The Camp Franchise Systems, LLC or information which has become a part of the public domain through publication or communication by others.

2. Recipient agrees that any breach of this Confidentiality Agreement will cause The Camp Franchise Systems, LLC, its affiliates, and operators of THE CAMP TRANFORMATION CENTER businesses irreparable injury, and agrees that in addition to any other right or remedy provided for by law or equity, The Camp Franchise Systems, LLC and its affiliates shall be entitled to specific performance of, or an injunction against violation of, this Confidentiality Agreement.

3. Recipient agrees that upon request by The Camp Franchise Systems, LLC, he or she will immediately (a) return all documents, materials and correspondence in Recipient's possession or control, in any medium, that contain Confidential Information; (b) delete all digital copies of such documents, materials and correspondence from devices in Recipient's possession or control; and (c) certify in writing that Recipient has complied with the obligations in clause (a) and (b).

IN WITNESS WHEREOF, the undersigned has executed this document as of the date set forth below.

DATED: _____

Print Name: _____

Signature: _____

EXHIBIT C

OPERATIONS MANUAL TABLE OF CONTENTS

Table of Contents SECTION A

MISSION STATEMENT 1
CORE VALUES 2
BRAND PROMISE 3
WELCOME LETTER 4
THE CAMP TRANSFORMATION CENTER STORY 6
SERVICES PROVIDED TO THE FRANCHISE PARTNER 8
Advertising Materials and Sales Aids ◄ 8
Approved Suppliers ◄ 8
Business Plan ◄ 8
Corporate Website ◄ 9
Franchise Partner Councils ◄ 9
Initial Training ◄ 9
Ongoing Training and Support ◄ 9
RESPONSIBILITIES OF THE CAMP FRANCHISE
PARTNER AND TEAM 11
Responsibilities to Your Clients ◄ 11
Responsibilities to Your Team ◄ 12
Responsibilities to Your Fellow
Franchise Partners ◄ 13
Responsibilities to the Franchisor ◄ 13
PAYING OTHER FEES 15
Attorneys' Fees ◄ 15
Audit ◄ 15
On-site Consultation and Additional Training ◄ 15
Indemnification ◄ 15
Insurance ◄ 16
Late Payment Fees ◄ 16
License Fees for CRM Systems ◄ 16
Renewal ◄ 16
Technology Fee for Online Training and Intranet ◄ 17
Transfer ◄ 17
HOME OFFICE AND MANAGEMENT 18

VISITS FROM THE HOME OFFICE..... 20

Table of Contents SECTION B

ESTABLISHMENT OF BUSINESS FORM 1

BUSINESS PLANNING 2

PRE-OPENING TIMELINE AND CHECKLIST..... 4

COMPETITIVE ANALYSIS 5

Your Local Competition ◄ 5

Research Your Competition ◄..... 5

Review the Results ◄ 6

CHOOSING YOUR SITE..... 7

Market Analysis ◄ 7

Site Selection Criteria ◄..... 8

Selecting the Prime Sites ◄ 10

Working with Agents and Managers ◄..... 11

Site Acceptance ◄..... 11

Lease Considerations ◄ 12

Negotiating a Lease ◄..... 12

SETTING UP THE CAMP TRANSFORMATION CENTER..... 17

Working with an Architect ◄..... 18

Developing Working Drawings ◄..... 19

Selecting a Contractor ◄..... 20

Design Specifications ◄ 21

Monitor Construction ◄ 21

Construction Walkthrough ◄..... 21

Finish Miscellaneous Projects ◄..... 22

EQUIPMENT AND INVENTORY 24

First Aid Kit ◄ 24

CONTRACTING WITH REQUIRED UTILITIES AND SERVICES..... 25

OBTAINING REQUIRED LICENSES, CERTIFICATIONS,

AND PERMITS..... 27

SETTING UP BANK ACCOUNTS 29

PROCURING REQUIRED INSURANCE..... 30

CONDUCTING A GRAND OPENING 32
Grand Opening Plan ◄ 33
New Club Opening Presale Plan ◄ 37
Creating Pre-Opening Momentum
and Awareness ◄ 39
Planning ◄ 41
MEETING YOUR TAX OBLIGATIONS 42
Employer Identification Number ◄ 42
Federal Taxes ◄ 42
State Taxes ◄ 43

Table of Contents SECTION C

HELPFUL LINKS/RESOURCES 1
EEOC GUIDELINES FOR HIRING EMPLOYEES 3
Employers Covered by EEOC-Enforced Laws ◄ 3
How Employees Are Counted ◄ 4
Record Keeping Requirements ◄ 4
Reporting Requirements ◄ 4
Charge Processing Procedures ◄ 5
Mediation ◄ 5
Remedies ◄ 6
Regulatory Enforcement Fairness Act ◄ 6
Technical Assistance ◄ 6
Informal Guidance ◄ 7
Publications ◄ 7
WAGE AND LABOR LAWS 8
Fair Labor Standards Act ◄ 8
What the FLSA Requires ◄ 8
What the FLSA Does Not Require ◄ 10
FLSA Minimum Wage Poster ◄ 11
Other Mandatory Labor Law Posters ◄ 11

LAWS REGARDING HARASSMENT 13
Sexual Harassment ◄ 13
Racial and Ethnic Harassment ◄ 13
Pregnancy Discrimination ◄ 14
Religious Accommodation ◄ 14
AMERICANS WITH DISABILITIES ACT (ADA) 16
Who Is Protected? ◄ 16
What Is Covered? ◄ 16
Ensuring Compliance ◄ 17
ADA Survey and Enhancements ◄ 17
ADA Resources ◄ 17
PROFILE OF THE IDEAL TEAM MEMBER 18
JOB DESCRIPTIONS 21
Camp Director ◄ 21
Trainer ◄ 25
Lead Front Desk ◄ 26
Front Desk ◄ 27
RECRUITING EMPLOYEES 30
Generating Applicants ◄ 31
Screening Applicants ◄ 32
THE INTERVIEW PROCESS 34
Working Interview for Trainers ◄ 40
Reference Checks ◄ 40
Background Checks ◄ 40
Making the Job Offer ◄ 41
ORIENTATION 43
Forms ◄ 43
Policies and Benefits ◄ 44
Overview of The Camp Transformation Center ◄ .. 44
Training Tips ◄ 46
Initial Training of New Team Members ◄ 47
Ongoing Training ◄ 47
TRIAL PERIOD 49
PERSONNEL POLICIES 50
SCHEDULING 53
TIME REPORTING 54
COACHING STAFF 55
Motivating Employees ◄ 55
UNIFORM / DRESS CODE 58

CONDUCTING PERFORMANCE EVALUATIONS 60
Evaluation Process ◄ 61
PROGRESSIVE DISCIPLINE 62
TERMINATION / SEPARATION 64
Termination ◄ 64
Resignation ◄ 65

Table of Contents SECTION D

THE CAMP TRANSFORMATION CENTER SALES PHILOSOPHY 1
Sales - Mission ◄ 2
Rules of Connecting, Educating, and Coaching ◄ ... 2
Features, Advantages, and Benefits of The Camp ◄5
THE CAMP TRANSFORMATION CENTER TRAINING OFFERINGS .. 7
Monthly and PIF Memberships ◄ 7
Year Paid in Full Memberships ◄ 9
20-lb. 42 Day Transformation Program ◄ 9
Hardbody 42 Day Transformation Program ◄ 13
Members Only Challenge ◄ 15
Elite Training ◄ 16
Elite Personal Training ◄ 17
Accountability Challenge ◄ 24
Kids Camp ◄ 25
21-Day Specialty Program ◄ 26
Camp Ranks ◄ 27
GENERATING LEADS 30
Client Referrals ◄ 30
Lead Call ◄ 33
Web Leads ◄ 34
HANDLING NEW INQUIRIES 35

Walk-In Prospects ◄ 35
Telephone Inquiries ◄ 36
Call Procedures ◄ 37
SALES PRESENTATIONS 40
Connect ◄ 40
Educate – The Workouts ◄ 42
Educate - Nutrition ◄ 42
Educate – Our Community ◄ 43
Coach ◄ 43
20-lb. 42 Day Transformation Presentation ◄ 44
Hardbody 42 Day Transformation Presentation ◄ .. 50
CLIENT TRANSACTION PROCEDURES 56
Agreement Workflow ◄ 56
PROSPECT MANAGEMENT 57
Lead Management Process ◄ 57
Follow-Up Procedures ◄ 59

Table of Contents SECTION E

SUGGESTED HOURS OF OPERATION 1
DAILY PROCEDURES 3
CENTER DIRECTOR TASKS 4
CLIENT SERVICE 5
Client Service Philosophy ◄ 5
Maintaining Good Client Relations ◄ 6
Client Interaction ◄ 7
Client Questions ◄ 7
Monthly Membership Holds ◄ 13
Gathering Feedback ◄ 13
Handling Complaints ◄ 13
Handling Refund Requests ◄ 15

Terminating a Client ◄ 15

MANAGING THE RETAIL AREA 17

USING THE POS SYSTEM 22

MAINTAINING A POSITIVE CENTER ENVIRONMENT 23

Lighting ◄ 24

Music ◄ 24

Managing Your Team ◄ 25

Center Maintenance ◄ 26

MANAGEMENT REPORTING 28

FRANCHISE REPORTING REQUIREMENTS 29

Royalty Payment ◄ 29

Advertising Contribution ◄ 29

Electronic Funds Transfer ◄ 30

Financial Statements ◄ 30

Basic Principles of Accounting ◄ 30

INVENTORY MANAGEMENT 36

Ordering Procedures ◄ 36

Using Approved Suppliers ◄ 36

Receiving Procedures ◄ 37

Conducting an Inventory Count ◄ 38

BILLING AND TRANSACTION PROCEDURES 39

ABC POS Monthly Membership Billing ◄ 39

Membership Cancellations ◄ 40

Six Week Challenge Cancellations ◄ 40

Opt-Out Credit ◄ 41

Billing to Account ◄ 41

Pending Binder ABC ◄ 46

Paid in Full (PIF) Binder ◄ 47

Recommended Filing System ◄ 47

Daily Cleaning ◄ 49

Weekly Cleaning and Maintenance ◄ 50

Monthly Cleaning and Maintenance ◄ 51

Equipment Maintenance ◄ 51

HANDLING EMERGENCIES 53

Emergencies – Expected ◄ 58

Emergencies – Unexpected ◄ 60

ACCIDENTS AND INCIDENTS 66

Dealing with an Accident ◄ 66

Incident Reporting ◄ 67

SECURITY PROCEDURES 71
Unruly Clients ◄ 71
Active Shooter ◄ 72

Table of Contents SECTION F

THE CAMP TRANSFORMATION CENTER TRAINING OVERVIEW ... 1
TRAINING SESSIONS 2
Booking Training Sessions via Our App ◄ 2
Guidelines for Training a Class ◄ 3
The Importance of Enthusiasm ◄ 6
Proper Music Selection ◄ 6
Station Preparation ◄ 6
Class Check-In ◄ 10
Late Cancel/Late Arrival/No Shows ◄ 12
Training Class Structure ◄ 12
WEIGH-IN 14
Final Weigh-In ◄ 14
Carb Cycling ◄ 16
Carb Loading ◄ 16
Weigh-In Board Procedures ◄ 17
Weigh-In Procedures: Hardbody 6-Week Challenge /
3% Members Only Challenge ◄ 17
Weigh-In Procedure: 20 lb. 6-Week Challenge /
15 lb. Pick Your Challenge (Member Only) ◄ 19

Weigh-In Procedure: Hardbody 6-Week Challenge / 3% Pick Your Challenge (Member Only) ◄ 20
Challenge/Programs Control ◄ 22
NUTRITION SEMINARS 24

Table of Contents SECTION G

MARKETING BASICS 1
MARKETING PLAN 2
Developing a Marketing Plan ◄ 4
Marketing Execution ◄ 4
THE CAMP TRANSFORMATION CENTER MARKS 6
SIGNAGE AND LOGO SPECIFICATIONS 7
Signage Requirements ◄ 7
PROMOTING THE CAMP TRANSFORMATION CENTER IN YOUR AREA 8
Internet ◄ 8
Direct Mail ◄ 9
SOCIAL MEDIA STANDARDS 10
Social Media Best Practices ◄ 12
Approved Social Media Platforms ◄ 14
Social Media Post Schedule ◄ 17
USING REFERRALS AND TESTIMONIALS TO BUILD BUSINESS . 19
PUBLIC RELATIONS 20
REQUIRED ADVERTISING EXPENDITURES 22
System Marketing Fund ◄ 22
Local Advertising ◄ 22
OBTAINING ADVERTISING APPROVAL 24

EXHIBIT D

SAMPLE RELEASE

SAMPLE OF RELEASE TO BE SIGNED WHEN YOU DEVELOP, RENEW OR TRANSFER A CENTER

Note: Where required by state law, this Release will be modified so that it does not apply to your rights under the state law. Please see Exhibit H to the disclosure document.

GENERAL RELEASE

THIS GENERAL RELEASE is signed by the franchisee named at the end of the document (**"Franchisee"** or **"you"**) and by Franchisee's owners (the **"Owners"**) as an express condition of: (a) renewing or transferring a THE CAMP TRANSFORMATION CENTER franchise; or (b) signing a Franchise Agreement for a new location pursuant to a Development Agreement between you and The Camp Franchise Systems LLC (**"The Camp"**).

1. Release. You and each of the Owners, on behalf of yourselves and all past, present and future parents, subsidiaries, shareholders, members, partners, managers, directors, officers, employees, successors, assigns, agents and legal representatives, and any of the aforementioned persons' heirs, executors, administrators or personal representatives, and all other persons acting on your behalf or claiming under you (collectively, the **"Franchisee Parties"**), hereby release and forever discharge The Camp, its affiliates, and their respective past and present officers, directors, shareholders, members, parents, subsidiaries, affiliates, agents, employees, attorneys, insurers, representatives, predecessors, successors, and assigns, and each of them, from any and all claims, debts, liabilities, demands, obligations, costs, expenses, suits, actions, and causes of action, of whatever nature, known or unknown, suspected or unsuspected, vested or contingent (collectively, **"Claims"**) that the Franchisee Parties ever had, now have, or may in the future have, arising out of or relating to any act, omission or event occurring on or before the date of this General Release.

2. Risk of changed facts. You and the Owners understand that the facts in respect of which the release in Section 1 is given may turn out to be different from the facts that you and the Owners now know or believe to be true. You and the Owners, on behalf of yourselves and all other Franchisee Parties, hereby accept the risk of the facts turning out to be different and agree that the release will nevertheless be effective and not subject to termination or rescission by virtue of any such difference in facts.

3. No prior assignment. You and the Owners, for yourselves and on behalf of all other Franchisee Parties, represent and warrant that the Franchisee Parties have not assigned or transferred, or purported to assign or transfer, any Claim released under Section 1 above to any person or business entity that is not a Franchisee Party.

4. Covenant not to sue. You and the Owners, for yourselves and on behalf of all other Franchisee Parties, promise not to initiate, prosecute, encourage, assist, or (except as required by law) participate in any civil, criminal, or administrative proceeding or investigation in any court, agency, or other forum against any person or entity released under Section 1 with respect to any Claim released under Section 1.

5. Complete defense. You and each of the Owners: (i) acknowledges that this General Release will be a complete defense to any Claim released under Section 1 above; and (ii) consents to the entry of a temporary or permanent injunction to prevent or end the assertion of any such Claim.

6. Authorization. You and the Owners represent and warrant that the person signing this General Release on behalf of Franchisee is authorized to do so. You and the Owners also represent and warrant that you and the Owners have the authority to enter into this General Release on behalf of the other Franchisee Parties.

7. California Acknowledgment. If you or the franchise to which this General Release relates is located in California, you and the Owners understand and agree that this release extends to all claims, and you and they expressly waive all rights under Section 1542 of the Civil Code of the State of California, which provides:

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

8. Applicability. This General Release does not apply with respect to claims arising under the Washington Franchise Investment Protection Act, RCW 19.100, and the rules adopted thereunder.

THE CAMP FRANCHISE SYSTEMS LLC

By:_____

Print Name:_____

Title:_____

FRANCHISEE:

_____
(Print name of corporation, partnership, limited liability company or other legal entity)

By:_____

Print Name:_____

Title:_____

OWNERS:

_____

_____

_____

EXHIBIT E

STATE FRANCHISE ADMINISTRATORS; AGENTS FOR SERVICE OF PROCESS

LIST OF STATE ADMINISTRATORS

We intend to register this disclosure document as a "franchise" in some or all of the following states, if required by the applicable state laws. If and when we pursue franchise registration (or otherwise comply with the franchise investment laws) in these states, the following are the state administrators responsible for the review, registration, and oversight of franchises in these states:

CALIFORNIA Commissioner Department of Financial Protection and Innovation 320 West Fourth Street, Suite 750 Los Angeles, California 90013-2344 (213) 576-7500 Toll Free: (866) 275-2677	**NEW YORK** New York State Department of Law Investor Protection Bureau 28 Liberty Street, 21st Floor New York, New York 10005 (212) 416-8236
HAWAII Commissioner of Securities of the State of Hawaii Department of Commerce & Consumer Affairs Business Registration Division Securities Compliance Branch 335 Merchant Street, Room 205 Honolulu, Hawaii 96813 (808) 586-2722	**NORTH DAKOTA** North Dakota Insurance & Securities Department 600 East Boulevard Avenue, Dept. 401 Bismarck, North Dakota 58505 701-328-2910
ILLINOIS Office of the Attorney General Franchise Bureau 500 South Second Street Springfield, Illinois 62706 (217) 782-4465	**RHODE ISLAND** Department of Business Regulation Securities Division, Building 69, First Floor John O. Pastore Center 1511 Pontiac Avenue Cranston, Rhode Island 02920 (401) 462-9527
INDIANA Secretary of State Franchise Section 302 West Washington, Room E-111 Indianapolis, Indiana 46204 (317) 232-6681	**SOUTH DAKOTA** Division of Insurance Securities Regulation 124 South Euclid Avenue, Suite 104 Pierre, South Dakota 57501 (605) 773-3563
MARYLAND Office of the Attorney General Securities Division 200 St. Paul Place Baltimore, Maryland 21202-2020 (410) 576-6360	**VIRGINIA** State Corporation Commission Division of Securities and Retail Franchising 1300 East Main Street, 9th Floor Richmond, Virginia 23219 (804) 371-9051
MICHIGAN Michigan Attorney General's Office Corporate Oversight Division, Franchise Section 525 West Ottawa Street G. Mennen Williams Building, 1st Floor Lansing, Michigan 48913 (517) 335-7567	**WASHINGTON** Department of Financial Institutions Mailing: PO Box 41200 Olympia, WA 98504-1200 Overnight: 150 Israel Road SW Tumwater, WA 98501-6456 (360) 902-8760
MINNESOTA Minnesota Department of Commerce 85 7th Place East, Suite 280 St. Paul, Minnesota 55101 (651) 539-1600	**WISCONSIN** Division of Securities 4822 Madison Yards Way, North Tower Madison, Wisconsin 53705 (608) 266-2139

AGENTS FOR SERVICE OF PROCESS

We intend to register this disclosure document as a "franchise" in some or all of the following states, if required by the applicable state law. If and when we pursue franchise registration (or otherwise comply with the franchise investment laws) in these states, we will designate the following state offices or officials as our agents for service of process in these states:

CALIFORNIA Commissioner Department of Financial Protection and Innovation 320 West Fourth Street, Suite 750 Los Angeles, California 90013-2344 (213) 576-7500 Toll Free: (866) 275-2677	**NEW YORK** New York Secretary of State New York Department of State One Commerce Plaza, 99 Washington Avenue, 6th Floor Albany, New York 12231-0001 (518) 473-2492
HAWAII Commissioner of Securities of the State of Hawaii Department of Commerce & Consumer Affairs Business Registration Division Securities Compliance Branch 335 Merchant Street, Room 205 Honolulu, Hawaii 96813 (808) 586-2722	**NORTH DAKOTA** North Dakota Insurance & Securities Department 600 East Boulevard Avenue, Dept. 401 Bismarck, North Dakota 58505 701-328-2910
ILLINOIS Illinois Attorney General 500 South Second Street Springfield, Illinois 62706 (217) 782-4465	**RHODE ISLAND** Director of Department of Business Regulation Department of Business Regulation Securities Division, Building 69, First Floor John O. Pastore Center 1511 Pontiac Avenue Cranston, Rhode Island 02920 (401) 462-9527
INDIANA Secretary of State Franchise Section 302 West Washington, Room E-111 Indianapolis, Indiana 46204 (317) 232-6681	**SOUTH DAKOTA** Division of Insurance Director of the Securities Regulation 124 South Euclid Avenue, Suite 104 Pierre, South Dakota 57501 (605) 773-3563
MARYLAND Maryland Securities Commissioner 200 St. Paul Place Baltimore, Maryland 21202-2020 (410) 576-6360	**VIRGINIA** Clerk of the State Corporation Commission 1300 East Main Street, 1st Floor Richmond, Virginia 23219 (804) 371-9733
MICHIGAN Michigan Attorney General's Office Corporate Oversight Division, Franchise Section 525 West Ottawa Street G. Mennen Williams Building, 1st Floor Lansing, Michigan 48913 (517) 335-7567	**WASHINGTON** Director of Department of Financial Institutions 150 Israel Road SW Tumwater, Washington 98501-6456 (360) 902-8760
MINNESOTA Commissioner of Commerce Minnesota Department of Commerce 85 7th Place East, Suite 280 St. Paul, Minnesota 55101 (651) 539-1600	**WISCONSIN** Division of Securities 4822 Madison Yards Way, North Tower Madison, Wisconsin 53705 (608) 266-2139

EXHIBIT F

FINANCIAL STATEMENTS

THE CAMP FRANCHISE SYSTEMS, LLC

FINANCIAL STATEMENTS

DECEMBER 31, 2025, 2024 AND 2023

Golbar & Associates
Net Worth Advisors & CPAs

Independent Auditors' Report

To the Members
of The Camp Franchise Systems, LLC

Opinion

We have audited the accompanying financial statements of The Camp Franchise Systems, LLC (a California Limited Liability Company), which comprise the balance sheets as of December 31, 2025 and 2024, and the related statements of income, members' equity and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Camp Franchise Systems, LLC as of December 31, 2025 and 2024, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Prior Period Financial Statements

The financial statements of the Company as of and for the year ended December 31, 2023 were audited by other auditors whose report dated May 24, 2024, expressed an unmodified opinion on those statements.

We were not engaged to audit, review, or apply any procedures to the 2023 financial statements of the Company, accordingly, we do not express an opinion or any other form of assurance on the 2023 financial statements as a whole.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about The Camp Franchise Systems, LLC's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

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

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

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The 2025 and 2024 Schedules of Revenue and Operating Expenses on pages 22 and 23, respectively, is presented for purposes of additional analysis of the financial statements and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, such information is fairly stated in all material respects in relation to the financial statements as a whole. The 2023 Schedules of Revenue and Operating Expenses on pages 22 and 23, respectively, was subjected to the auditing procedures applied in the 2023 audit of the basic financial statements by other auditors, whose report on such information stated that it was fairly stated in all material respects relation to the 2023 financial statements as a whole.



Los Angeles, California
March 10, 2026

THE CAMP FRANCHISE SYSTEMS, LLC
BALANCE SHEETS
DECEMBER 31, 2025, 2024 AND 2023

	December 31,		
	2025	2024	2023
ASSETS			
CURRENT ASSETS			
Cash	$ 61,401	$ 259,101	$ 453,806
Accounts receivable, net	46,578	81,697	161,974
Other receivables	12,920	23,411	281
Advances to suppliers	9,000	-	-
Prepaid expenses	6,979	85,863	138,881
Short-term investments	1,042,906	882,341	613,979
TOTAL CURRENT ASSETS	1,179,784	1,332,413	1,368,921
PROPERTY AND EQUIPMENT, NET			
Leasehold improvements	174,967	174,967	174,967
Furniture and fixtures	30,015	30,015	30,015
Equipment	12,046	12,046	12,046
Software	25,000	25,000	25,000
Less: accumulated depreciation and amortization	(107,562)	(88,475)	(66,898)
TOTAL PROPERTY AND EQUIPMENT, NET	134,466	153,553	175,130
OTHER ASSETS			
Related party receivables	41,690	488,225	1,096,202
Operating lease right-of-use assets	701,579	882,839	881,592
Deferred contract costs	58,643	-	-
TOTAL OTHER ASSETS	801,912	1,371,064	1,977,794
TOTAL ASSETS	$ 2,116,162	$ 2,857,030	$ 3,521,845

SEE INDEPENDENT AUDITORS' REPORT
AND NOTES TO FINANCIAL STATEMENTS.

THE CAMP FRANCHISE SYSTEMS, LLC
BALANCE SHEETS
DECEMBER 31, 2025, 2024 AND 2023

	December 31,		
	2025	2024	2023
LIABILITIES AND MEMBERS' EQUITY			
CURRENT LIABILITIES			
Accounts payable	$ 55,780	$ 134,098	$ 129,866
Accrued expenses	36,437	39,344	27,348
Accrued payroll and payroll taxes	38,595	55,275	64,235
Related party payables	12,944	-	18,000
State tax payable	12,500	-	-
Notes payable, current	3,557	3,418	3,347
Operating lease liabilities, current	234,584	181,260	187,201
Deferred franchise fee revenue, current	-	79,500	105,400
Deferred revenue - other, current	8,333	-	5,641
TOTAL CURRENT LIABILITIES	402,730	492,895	541,038
NONCURRENT LIABILITIES			
Deferred franchise fee revenue, net of current portion	498,750	556,000	596,000
Deferred revenue - other, net of current portion	6,944	-	-
Operating lease liabilities, net of current portion	512,105	701,579	694,391
Notes payable, net of current portion	137,122	140,906	144,652
TOTAL NONCURRENT LIABILITIES	1,154,921	1,398,485	1,435,043
TOTAL LIABILITIES	1,557,651	1,891,380	1,976,081
MEMBERS' EQUITY	558,511	965,650	1,545,764
TOTAL LIABILITIES AND MEMBERS' EQUITY	$ 2,116,162	$ 2,857,030	$ 3,521,845

SEE INDEPENDENT AUDITORS' REPORT
AND NOTES TO FINANCIAL STATEMENTS.

THE CAMP FRANCHISE SYSTEMS, LLC
STATEMENTS OF INCOME
FOR THE YEARS ENDED DECEMBER 31, 2025, 2024 AND 2023

	2025		2024		2023	
	Amount	%	Amount	%	Amount	%
REVENUES - SCH 1	$ 1,833,115	100.00	$ 2,196,201	100.00	$ 2,430,459	100.00
OPERATING EXPENSES - SCH 2	1,622,739	88.52	2,322,123	105.73	2,413,553	99.30
INCOME (LOSS) FROM OPERATIONS	210,376	11.48	(125,922)	(5.73)	16,906	0.70
OTHER INCOME (EXPENSE)						
Interest income	53,469	2.91	47,570	2.16	75,198	3.09
Interest expense	(12,131)	(0.66)	(9,683)	(0.44)	(8,665)	(0.36)
Forfeited initial franchise fees	104,000	5.67	-	-	-	-
Miscellaneous income	523	0.03	42,330	1.93	30,298	1.25
Income tax refund	-	-	45,495	2.07	-	-
TOTAL OTHER INCOME (EXPENSE)	145,861	7.95	125,712	5.72	96,831	3.98
INCOME (LOSS) BEFORE PROVISION FOR TAXES	356,237	19.43	(210)	(0.01)	113,737	4.68
PROVISION FOR TAXES						
State income tax	20,300	1.11	16,073	0.73	12,080	0.50
TOTAL PROVISION FOR TAXES	20,300	1.11	16,073	0.73	12,080	0.50
NET INCOME (LOSS)	$ 335,937	18.32	$ (16,283)	(0.74)	$ 101,657	4.18

SEE INDEPENDENT AUDITORS' REPORT
AND NOTES TO FINANCIAL STATEMENTS.

THE CAMP FRANCHISE SYSTEMS, LLC
STATEMENTS OF MEMBERS' EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2025, 2024 AND 2023

Balance, December 31, 2022	$ 1,444,107
Net income	101,657
Balance, December 31, 2023	$ 1,545,764
Net loss	(16,283)
Distributions	(563,831)
Balance, December 31, 2024	$ 965,650
Net income	335,937
Distributions	(743,076)
Balance, December 31, 2025	$ 558,511

SEE INDEPENDENT AUDITORS' REPORT
AND NOTES TO FINANCIAL STATEMENTS.

THE CAMP FRANCHISE SYSTEMS, LLC
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2024, 2023 AND 2022

	2025	2024	2023
Cash Flows from Operating Activities:			
Net income (loss)	$ 335,937	$ (16,283)	$ 101,657
Adjustments to reconcile net income to			
Net cash provided (used) by operating activities:			
Depreciation and amortization	19,086	21,577	18,149
Bad debts	2,025	-	-
Change in accounts receivable	33,093	57,147	(87,549)
Change in other receivables	10,491	-	-
Change in ERC receivable	-	-	170,308
Change in advances to suppliers	(9,000)	-	-
Change in prepaid expenses	78,884	53,018	(14,392)
Change in deposit	-	-	4,406
Change in deferred contract costs	(58,643)	-	-
Change in accounts payable	(78,318)	4,232	49,573
Change in accrued expenses	(2,907)	11,996	(6,606)
Change in state tax payable	12,500	-	-
Change in accrued payroll and payroll taxes	(16,680)	(8,960)	28,368
Change in operating lease liabilities	45,110	-	-
Change in deferred franchise fee revenue	(136,750)	(65,900)	(82,600)
Change in deferred revenue - other	15,277	(5,641)	(24,359)
Net cash provided by operating activities	250,107	51,186	156,955
Cash Flows from Investing Activities:			
Purchases of property and equipment	-	-	(174,967)
Purchases of short-term investments	(160,565)	(268,362)	(613,979)
Advances made to related parties	(53,597)	-	(250,833)
Payments received on advances to related parties	-	50,146	280,593
Net cash used by investing activities	(214,162)	(218,216)	(759,186)
Cash Flows from Financing Activities:			
Repayments on note payable - EIDL	(3,645)	(3,675)	(2,001)
Distribution	(230,000)	(24,000)	-
Net cash used by financing activities	(233,645)	(27,675)	(2,001)
Net increase (decrease) in cash	(197,700)	(194,705)	(604,232)
Cash at the beginning of the year	259,101	453,806	1,058,038
Cash at the end of the year	$ 61,401	$ 259,101	$ 453,806
Supplemental Cash Flow Schedule:			
Cash paid for:			
Interest	$ 12,131	$ 9,683	$ 8,665
Income tax	$ 7,800	$ 16,073	$ 12,880

SEE INDEPENDENT AUDITORS' REPORT
AND NOTES TO FINANCIAL STATEMENTS.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Business Activity and Organization

The Camp Franchise Systems, LLC ("the Company") is a limited liability company organized on July 1, 2016, in the state of California. The Company's principal operations are the franchising and administration of The Camp Transformation Centers, which form a chain of centers offering health, fitness, and weight control services. As of December 31, 2025, there were sixty-nine franchised centers in operation, located in Arizona, California, and Texas. Affiliates of the Company owned and operated four centers in California.

Accounting Method

The Company's financial statements are prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Cash and Cash Equivalents

The Company considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalent. Cash accounts in banking institutions are insured by the Federal Deposit Insurance Corporation up to $250,000.

Short-Term Investments

Certificates of deposit (CD) held for investment that are not debt securities are carried at amortized cost and included in investments. Certificates of deposit with original maturities greater than three months and remaining maturities of less than one year are classified as short-term investments. Certificates of deposit with remaining maturities greater than one year are classified as long-term investments.

Accounts Receivable

Accounts receivable are stated at the amount the Company expects to collect from outstanding balances. Accounts receivables are recorded at net realizable value consisting of the carrying amount, less an allowance for credit losses. An allowance for credit losses is an estimate based upon historical account write-off trends, facts about the current financial condition of the franchisee, macroeconomic factors, and aging of receivables. Specific reserves may be established for accounts with known collectability concerns. Account balances are charged off against the allowance when recovery efforts cease.

No allowance for credit losses was considered necessary on December 31, 2025, 2024, or 2023.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Deferred Contract Costs

The Company capitalizes incremental costs of obtaining contracts, primarily commission expenses, in accordance with ASC 340-40 Other Assets and Deferred Costs - Contracts with Customers. These costs are capitalized when they are directly attributable to obtaining a contract and are expected to be recovered through future revenues.

Capitalized contract acquisition costs are amortized on a straight-line basis over ten years, which reflects the period over which the related economic benefits are expected to be realized.

The Company determined this amortization period based on the expected duration of the contracts' economic benefits.

Deferred contract costs were $58,643, $0, and $0 as of December 31, 2025, 2024, and 2023, respectively. During the year ended December 31, 2025, the Company capitalized $58,643 of incremental contract acquisition costs. Amortization expense recognized for the years ended December 31, 2025, 2024, and 2023 was $0. No impairment losses were recognized for the years ended December 31, 2025, 2024, and 2023.

The Company evaluates deferred commission costs for impairment at each reporting period, ensuring that the carrying value of the capitalized costs does not exceed the estimated future cash flows expected to be derived from the related customer contracts.

Property and Equipment

Property and equipment are recorded at cost on the date of acquisition. Expenditures for betterment and major improvements are added to the cost of the respective assets, while repairs that do not materially extend the useful life of an asset are expensed when incurred. When an asset is sold or otherwise disposed of, the cost of the asset and the related accumulated depreciation are removed from the accounts, and any resulting gain or loss is recorded.

Depreciation and amortization are computed using the straight-line method over the estimated useful lives of the assets. Depreciation and amortization expense for the years ended December 31, 2025, 2024, and 2023, respectively, was $19,086, $21,577, and $18,149. The estimated useful lives for the purpose of computing depreciation and amortization are:

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Property and Equipment, continued

Asset	Useful Life (Years)
Leasehold improvements	10
Furniture and fixtures	7
Equipment	5
Software	3

Leasehold improvements associated with leases between entities under common control are amortized over the useful life of the improvements, rather than the lease term, as long as the lessee controls the use of the underlying asset through a lease. If the lessee ceases to control the use of the underlying asset, the remaining value of the leasehold improvement is accounted for as a transfer between the commonly controlled entities.

The following table summarizes leasehold improvements as of December 31, 2025:

Remaining useful life of the leasehold improvements to the common control group	7.7 years
Remaining lease term	3.5 years

Leases

The Company determines if an arrangement is a lease at inception. Operating leases are included in operating lease right-of-use (ROU) assets, with corresponding operating lease liabilities presented within current and noncurrent liabilities on the balance sheet. Finance leases are included in property and equipment, with corresponding operating lease liabilities presented within current and noncurrent liabilities on the balance sheets.

ROU assets represent the Company's right to use an underlying asset for the lease term and lease liabilities represent the obligation to make lease payments arising from the lease. Operating lease ROU assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term. As the Company's lease does not provide an implicit rate, the Company uses its incremental borrowing rate based on the information available at commencement date in determining the present value of lease payments. The operating lease ROU asset also includes any lease payments made and excludes lease incentives. Lease expense for lease payments is recognized on a straight-line basis over the lease term.

During the periods presented, the Company leases office facilities under an operating lease arrangement with a related party.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Revenue Recognition

Revenues are primarily derived from the sale of franchises, ongoing franchise royalty fees, license fees, technology fees, transfer fees, and commissions.

The Company recognizes initial franchise fees as it satisfies its performance obligations under the franchise agreement (as further described in Note 7). Revenue from initial franchise fees is recognized as these pre-opening services are performed and as the center approaches its opening date. The initial franchise fees associated with centers where the Company has not substantially performed its obligations relating to the sale are recorded as deferred revenue on the balance sheet. Franchise royalty fees, license fees, technology fees, and commissions are recognized in the period earned.

Prior to the Company's inception, a commonly-owned affiliate, The Camp Bootcamp, Inc., granted licenses on a year-to-year basis to use the trademarked name in connection with the operation of fitness centers. The Company currently charges license fees for certain locations, which are recognized in the period earned in accordance with the related agreements. For these locations, the license fee arrangement is expected to transition to a royalty fee arrangement.

During the years ended December 31, 2025, 2024, and 2023, three, five, and seven new franchises were opened, respectively.

Forfeited Initial Franchise Fees

Under the terms of the Company's franchise agreements, initial franchise fees are generally non-refundable. Initial franchise fees are initially recorded as deferred revenue and recognized as revenue as the Company satisfies its pre-opening obligations.

If a franchisee does not open the franchised location and the franchise agreement is terminated or otherwise deemed abandoned, any remaining deferred initial franchise fee is recognized as revenue when the Company has no remaining obligations under the agreement, and the franchisee no longer has the right to open the franchised location.

Forfeited initial franchise fees were $104,000 for the year ended December 31, 2025.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Advertising

Advertising costs are expensed as incurred and are included in operating expenses. Advertising expenses amounted to $108,584, $54,572, and $152,743 for the years ended December 31, 2025, 2024, and 2023, respectively.

Management Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Reclassifications

Certain items in the financial statements for 2024 and 2023 have been reclassified to conform to the current year's presentation. These reclassifications had no effect on previously reported net income, total assets, total liabilities, or members' equity.

Income Taxes

The Company has elected to be taxed as a partnership. A partnership is not a tax paying entity for federal and state income tax purposes. Income, losses, deductions and credits pass through proportionately to its members and are taxed at the members' income tax rates. Accordingly, no provision for federal income taxes is provided in the financial statements. The Company is subject to an annual tax in California and an LLC fee based on total income from all sources attributable to the state of California. The annual tax and LLC fee are included in the provision for state taxes in the statements of income.

Effective January 1, 2022, the Company has annually made a Pass-Through Entity Tax (PTE Tax) election under which the Company incurs and pays a state income tax that would otherwise be paid individually by its members. In accordance with the PTE Tax election, the Company computes state income tax at 9.3% of its qualified net income for the taxable year for which the election is made, with its members receiving a state tax credit equal to the PTE Tax. The PTE Tax is recorded in the provision for state taxes in 2023, 2024, and 2025 statements of income. The PTE Tax election must be made annually.

The Company has adopted the provisions of FASB ASC 740, Income Taxes, which prescribe when to recognize and how to measure the financial statement effects, if any, of income tax positions taken or expected to be taken on its income tax returns. These rules require management to evaluate the likelihood that, upon examination by relevant taxing jurisdictions, those income tax positions would

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Income Taxes, continued

be sustained. Based on that evaluation, if it were more than 50% probable that a material amount of income tax would be imposed at the entity level upon examination by the relevant taxing authorities, a liability would be recognized in the accompanying balance sheet along with any interest and penalties that would result from that assessment. The Company does not believe there are any material uncertain tax positions and, accordingly, did not recognize any liability for unrecognized tax benefits. No material amounts of interest or penalties were accrued or charged to expense as of

December 31, 2025, 2024, and 2023 or for the years then ended. The Company's policy is to recognize penalties as an operating expense and interest as other expense. The Company's tax returns are subject to examination by federal and state taxing authorities, generally for a period of three years.

Concentration of Credit Risk

Financial instruments that potentially subject the Company to concentrations of credit risk consist principally of cash and cash equivalents and short-term investments comprised of CDs in excess of Federal Deposit Insurance Corporation ("FDIC") limits. The Company maintains its cash accounts and CDs at a FDIC-insured financial institution. At December 31, 2025, 2024, and 2023, the Company had approximately $855,059, $892,546, and $822,000, respectively, in balances exceeding the FDIC limit. Cash and CD balances maintained by the Company may, at various times throughout the year, exceed FDIC limits. Management believes there is a low risk of loss from cash concentrations and that the Company is not subject to any unusual credit risk beyond the normal credit risk associated with commercial banking relationships.

Compensated Absences

The Company grants 40 to 120 vacation hours to its employees, depending on employee classification status and length of service. These hours are accrued throughout the year at every pay period. Accrued and unused vacation hours are paid out at the time of termination, up to the maximum accrual cap.

As of December 31, 2025, 2024, and 2023, the Company has accrued $11,006, $29,594, and $22,000, respectively, for these compensated vacation hours absences.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Recently Adopted Accounting Pronouncement

During the year ended December 31, 2023, the Company adopted FASB ASU 2016-02, *Leases* and the additional ASUs issued to clarify and update the guidance in ASU 2016-02 (collectively, "ASC 842"). ASC 842 modifies lease accounting for lessees to increase transparency and comparability among organizations by requiring the recognition of right-of use assets and lease liabilities for operating leases on the balance sheet. Under the standard, expanded disclosures are required to meet the objective of enabling users of financial statements to assess the amount, timing, and uncertainty of cash flows arising from leases. Management adopted ASC 842 using the modified retrospective contracts existing at the time of adoption, management elected the package of practical expedients that permits no reassessment of (i) whether any expired or existing contracts are or contain a lease, (ii) the lease classification for any expired or existing leases, and (iii) any initial direct costs for any existing leases as of the effective date.

2. SHORT-TERM INVESTMENTS

The Company maintains investments in certificates of deposit with financial institutions. These investments are carried at cost, which approximates fair value due to their short-term maturities and interest rates that approximate current market rates.

Certificates of deposit have original maturities of approximately six months and are classified as investments in the accompanying balance sheets.

As of December 31, 2025, 2024, and 2023, investments in certificates of deposit totaled $1,042,906, $882,341, and $613,979, respectively.

Interest earned on certificates of deposit is included in interest income in the accompanying statements of income.

The Company maintains its certificates of deposit with high-credit-quality financial institutions. At times, balances may exceed federally insured limits. The Company has not experienced any losses related to these balances.

3. NOTES PAYABLE

Economic Injury Disaster Loan

On May 29, 2020, the Company received loan proceeds in the amount of $150,000 from the U.S. Small Business Administration ("SBA") under Section 7(b) of the Small Business Act, as amended. The promissory note is dated May 26, 2020, and bears interest at a rate of 3.75% per annum, with a maturity date of May 26, 2050. Installment payments in the amount of $731 are due monthly following a period of deferment. In March 2021, the SBA extended the deferment period for all COVID-19 Economic Injury Disaster Loans from 12 to 24 months from the date of the note.

In March 2022, the SBA further extended the deferment period to a total of 30 months from the date of the note. Interest continued to accrue during the deferment period. The loan is collateralized by all tangible and intangible personal property of the Company. The note may be prepaid by the Company in whole or in part at any time prior to maturity without penalty.

During the year ended December 31, 2025, the Company made principal payments of $3,418 and interest payments of $5,354, totaling $8,772. During the years ended December 31, 2024 and 2023, respectively, the Company made $5,250 and $7,425 in interest payments towards the loan. The outstanding loan balance at December 31, 2025 is $140,679.

Maturities of notes payable are as follows:

Year ending December 31:	
2026	$ 3,557
2027	3,693
2028	3,834
2029	3,980
2030	4,132
2031 and thereafter	121,483
Total maturities	$ 140,679

4. MEMBERS' EQUITY

Members' equity represents the members' ownership interests in the Company. Net income or loss and distributions are allocated and made in accordance with the Company's operating agreement.

5. RELATED PARTY TRANSACTIONS

Related Party Receivables

As of December 31, 2025, 2024, and 2023, respectively, the Company had receivables from four commonly owned or affiliated entities totaling $41,690, $488,225, and $1,096,202. These advances primarily arise from transactions in the ordinary course of business, are unsecured and bear no fixed repayment terms.

Significant related party receivables are concentrated as follows:

Entity	2025	2024	2023
Font, LLC	-	-	49%
The Camp Bootcamp, Inc.	-	100%	44%
Myo Sport Nutrition, LLC	34%	-	6%
Social Inbound Marketing LLC	-	-	1%
Blue Horizon Fitness, LLC	64%	-	-
Covina Community Fit, LLC	1%	-	-
River Wave Fit, LLC	1%	-	-

Font, LLC

Font, LLC was organized in the state of California in August 2016 and shares common ownership with the Company. As of December 31, 2023, the Company had a receivable from Font, LLC totaling $539,831 (including accrued interest). Interest was imputed at a rate of 4.5%. During the year ended December 31, 2023, the Company paid Font, LLC (or one of its members) $24,000 for consulting fees.

The Camp Bootcamp, Inc. (Bootcamp)

Bootcamp was incorporated in the state of California in March 2012 and shares common ownership with the Company. As of December 31, 2024, and 2023, the Company had a receivable from Bootcamp totaling $486,917 (including accrued interest), and $477,443, respectively. Interest was imputed at a rate of 4% for 2024 and totaled approximately $18,686. On December 31, 2025, the outstanding related-party receivable balance due from Bootcamp was distributed to the owners, and accordingly, is no longer reflected as a receivable as of that date.

Myo Sport Nutrition, LLC (Myo)

Myo was organized in the state of California in May 2015 and is currently owned by Font, LLC. As of December 31, 2025, 2024 and 2023, the Company had a receivable from Myo totaling $14,170, $0 and $68,924, respectively. Interest was imputed at a rate of 4% in 2025 and 4.5% for 2023.

5. RELATED PARTY TRANSACTIONS, continued

Related Party Receivables, continued

LAAN Properties, LLC (LAAN)

LAAN was organized in the state of Wyoming in April 2024 and shares common ownership with the Company. During the years ended December 31, 2024 and 2023, the Company paid LAAN $108,000 in rent. As of December 31, 2023, the Company had a payable to LAAN in the amount of $18,000. Effective June 30, 2024, the Company terminated its lease with LAAN which resulted in the derecognition of the related right of use assets and lease liabilities.

Blue Horizon Fitness, LLC (Blue Horizon)

Blue Horizon was organized in the state of California in February 2024 and shares common ownership with the Company. During the years ended December 31, 2025 and 2024, the Company recognized rent expense of $216,000 and $108,000, respectively in rent (as further described in Note 6).

Covina Community Fit, LLC (Covina)

Covina was organized in the state of California in April 2025 and shares common ownership with the Company. As of December 31, 2025, the Company had a receivable from Covina totaling $294.

River Wave Fit, LLC (River Wave)

River Wave was organized in the state of California in August 2024 and shares common ownership with the Company. As of December 31, 2025, the Company had a receivable from River Wave totaling $283.

Related Party Payable

Social Inbound Marketing LLC

As of December 31, 2025, the Company had a payable to Social Inbound Marketing LLC totaling $12,944. Social Inbound Marketing LLC was organized in the state of California in January 2021 and shares common ownership with the Company.

5. RELATED PARTY TRANSACTIONS, continued

Advertising and Marketing

During the years ended December 31, 2025, 2024, and 2023, the Company made payments totaling $30,000, $50,500, and $58,000, respectively, to a family member of the LLC members for photography and videography services. These amounts are included in advertising and marketing on the statements of income.

6. LEASES

The Company leases facilities in Chino Hills, CA under an operating lease agreement with a related party. The lease provides for a 5-year initial term commencing on July 1, 2024 and does not include a renewal option. The lease agreement does not include any variable payments, material residual value guarantees, or restrictive covenants.

The following summarizes the line items in the balance sheet which include amounts for operating leases as of December 31, 2025:

Operating lease, right-of-use assets	$ 701,579
Operating lease liability, current portion	$ 234,584
Operating lease liability, noncurrent portion	512,105
Total operating lease liability	$ 746,689

Operating lease costs, which pertain to related party leases that are included in Operating Expenses in the statements of income for the years ended December 31, 2025 and 2024, were $216,000 and $216,000, respectively.

The weighted average lease term and discount rate of these related parties lease agreements as of December 31, 2025, were as follows:

Weighted average remaining lease term	3.5 years
Weighted average discount rate	4.44%

6. LEASES, continued

Future minimum lease payments as of December 31, 2025, were as follows:

Year ending December 31,	Amount
2026	$ 261,111
2027	216,000
2028	216,000
2029	108,000
Total future minimum lease payments	801,111
Less imputed interest	(54,422)
Present value of operating lease liability	$ 746,689

7. FRANCHISE AGREEMENTS

The Company's franchise agreements continue for an initial term of ten years. The franchisee may renew the agreement for two additional terms of five years provided certain conditions have been satisfied. The initial franchise fee for each new center is $49,500, with a 25% discount offered to honorably discharged United States military veterans for their first location. Franchise royalty fees are 5% of gross sales for centers opened prior to 2020 and 6% for centers opened thereafter. Royalty fees are settled on bi-weekly schedule.

The Company's pre-opening obligations are limited to providing assistance in locating a site for the center, reviewing and approving plans submitted by the franchisee for the design of the center, arranging for the franchisee to purchase an equipment pack from a designated vendor, providing the franchisee with access to an operations manual, conducting an operations training course, setting up access to a training platform and other technology services, carrying out pre-opening and grand opening promotions and marketing activities and helping the franchisee prepare for opening the center.

8. DEFERRED FRANCHISE FEE REVENUE

Initial franchise fees received by the Company from centers where the Company has not substantially performed its obligations relating to the sale are recorded as deferred revenue. Deferred revenue is reduced when the performance obligation for pre-opening services is satisfied.

As of December 31, 2025, 2024, and 2023, there were deferred revenues of $498,750, $635,500, and $701,400, respectively.

9. COMMITMENTS AND CONTINGENCIES

Legal Matters

In September 2023, a civil case was filed against the Company and related parties alleging violations of the Business and Professions Code. The plaintiffs are the district attorneys' offices of Orange, San Bernardino, Los Angeles and Ventura counties. The claims include allegations of improper business practices and advertising and allegations of failing to give appropriate refunds and high-pressure sales tactics. The amount being sought in connection with these claims is in excess of $10 million. The Company does not maintain insurance coverage that management believes is applicable to this matter.

The matter is currently in the discovery phase, and settlement discussions are ongoing. The case was scheduled for trial in May 2026; however, the parties have stipulated to continue the trial until mid-2027, subject to court approval. The plaintiffs have indicated that a primary objective of the action is to obtain assurances regarding regulatory compliance. Accordingly, any settlement, if reached, may include compliance-related provisions and monitoring arrangements.

The outcome of this matter is uncertain and, based on consultation with legal counsel, management is unable to assess the likelihood of an unfavorable outcome and cannot reasonably estimate the possible loss or range of loss, if any, associated with this matter.

The Company is subject to legal proceedings and claims arising in the ordinary course of conducting its business. Other than the matter described above, management is not currently aware of any legal proceedings in which the outcome may have a material adverse effect on the financial position, results of operations or cash flows of the Company.

10. STATEMENT OF CASH FLOWS - NONCASH FINANCING ACTIVITY

During the years ended December 31, 2025 and 2024, the Company distributed receivables totaling $513,076 and $539,831, respectively to its members as a noncash distribution. These transactions are non-cash financing activities and are excluded from the statements of cash flows.

11. SUBSEQUENT EVENTS

Management has evaluated subsequent events through March 10, 2026, the date of which the financial statements were available to be issued. No events have occurred subsequent to the balance sheet date through the date of the report that would require adjustment or disclosure in the financial statements.

THE CAMP FRANCHISE SYSTEMS, LLC
SCHEDULES OF REVENUE
FOR THE YEARS ENDED DECEMBER 31, 2025, 2024 AND 2023

	2025		2024		2023	
	Amount	%	Amount	%	Amount	%
REVENUE - SCH 1						
Franchise royalty fees	$ 1,382,252	75.41	$ 1,559,877	71.03	$ 1,865,123	76.74
Initial franchise fees	136,250	7.43	223,900	10.19	167,725	6.90
License and miscellaneous fees	72,999	3.98	99,074	4.51	120,207	4.94
Transfer fees	40,000	2.18	30,000	1.37	60,000	2.47
Commission income	148,378	8.10	159,720	7.27	99,772	4.11
Technology fees	43,514	2.37	49,043	2.23	52,332	2.15
Event income	9,722	0.53	74,587	3.40	65,300	2.69
TOTAL REVENUE - SCH 1	$ 1,833,115	100.00	$ 2,196,201	100.00	$ 2,430,459	100.00

SEE INDEPENDENT AUDITORS' REPORT.

THE CAMP FRANCHISE SYSTEMS, LLC
SCHEDULES OF OPERATING EXPENSES
FOR THE YEARS ENDED DECEMBER 31, 2025, 2024 AND 2023

	2025		2024		2023	
	Amount	%	Amount	%	Amount	%
OPERATING EXPENSES - SCH 2						
Accounting and audit fees	$ 163,029	8.90	$ 159,603	7.27	$ 152,810	6.29
Advertising and marketing	108,584	5.92	54,572	2.48	152,743	6.28
Automobile expense	9,179	0.50	7,004	0.32	15,769	0.65
Bad debt expense	2,025	0.11	-	-	-	-
Bank and credit card fees	1,128	0.06	3,372	0.15	483	0.02
Commissions	-	-	30,000	1.37	-	-
Conferences and events	14,287	0.78	157,505	7.17	168,024	6.91
Consulting fees	13,080	0.72	32,791	1.49	111,697	4.60
Credit check fees	490	0.03	286	0.01	533	0.02
Depreciation and amortization	19,086	1.04	21,577	0.98	18,149	0.75
Employee benefits	55,425	3.02	36,309	1.65	23,169	0.95
Fines and penalties	39	-	158	0.01	355	0.01
Information technology	157,991	8.62	196,343	8.94	183,845	7.56
Insurance	68,645	3.74	75,242	3.43	74,283	3.06
Lease expense	233,277	12.73	231,180	10.53	195,111	8.03
Legal fees	67,117	3.66	270,345	12.31	120,123	4.94
Meals and entertainment	7,691	0.42	18,946	0.86	19,570	0.81
Merchant fees	2,280	0.12	1,838	0.08	1,845	0.08
Miscellaneous expenses	539	0.03	209	0.01	1,514	0.06
Office expense and supplies	19,300	1.05	26,954	1.23	32,816	1.35
Outside services	21,989	1.20	-	-	-	-
Payroll processing fees	4,931	0.27	5,436	0.25	5,260	0.22
Payroll taxes	49,935	2.72	68,240	3.11	81,031	3.33
Postage and delivery	371	0.02	236	0.01	466	0.02
Repairs and maintenance	-	-	2,065	0.09	8,267	0.34
Salaries and wages	584,025	31.86	881,621	40.14	1,007,416	41.45
Settlements and Judgements	-	-	8,000	0.37	-	-
Travel expense	14,058	0.77	25,495	1.16	24,911	1.02
Utilities	4,238	0.23	6,796	0.31	13,363	0.55
TOTAL OPERATING EXPENSES - SCH 2	$ 1,622,739	88.52	$ 2,322,123	105.73	$ 2,413,553	99.30

SEE INDEPENDENT AUDITORS' REPORT.

EXHIBIT G

FRANCHISEES AS OF DECEMBER 31, 2025

FRANCHISEES AS OF DECEMBER 31, 2025

***Franchisees who have an Area Development Agreement in force.**

State	City	Owners	Owners Email	Owners Phone #	Address	Zip
AZ	Mid-Phoenix	Janelle Fejeran	Janelle.fejeran@thecamptc.com	619-573-8844	1810 West Northern Ave., Suite 105	85021
CA	Anaheim	Andrew Cruz	andrew@thecampanaheim.com	909-518-9528	3361 E. Mira Loma	92806
CA	Bakersfield Downtown	Elia De Anda	Elia.deanda@hotmail.com	626-533-6783	314 Truxtun Ave	93301
CA	Bakersfield	Elia De Anda	elia.deanda@hotmail.com	626-533-6783	4510 Stine Rd.	93313
CA	Bell	Jesus Verdiell	Jesus@thecamptc.net	310-629-2310	4650 Florence Ave.	90201
CA	Brentwood	John Mckenzie & Sophia Mckenzie	jdavidmck@yahoo.com dbwcampco@gmail.com	209-601-2695	7830 Brentwood Blvd	94513
CA	Burbank	Sonia Sagar*	sonia@thecamptctc.com	909-223-1006	2705 W Empire Ave	91504
CA	Carson	Tony Lane Kerica Summage	tonylane_s@ymail.com kericatcwest@gmail.com	(562) 508-7351 949-307-2359	21023 Figueroa St.	90745
CA	Chula Vista	David Viera	davidthecampec@gmail.com	858-663-4690	861 Harold Pl. Suite 203	91914
CA	Corona	Brittny Chico and Chad Burleson	Btitnnytctc@gmail.com	909-771-1009	315 Magnolia Ave	92879
CA	Costa Mesa	Freddie Basurto	directortccm@gmail.com	562-755-9232	2750 Harbor Blvd. B-2	92626

FRANCHISEES AS OF DECEMBER 31, 2025

***Franchisees who have an Area Development Agreement in force.**

State	City	Owners	Owners Email	Owners Phone #	Address	Zip
CA	Cypress	Evelyn Gutierrez/Yessica Gutierrez	yesica@thecampcypress.com	714-553-8988	5511 Lincoln Ave.	90630
CA	Downey	Robert Hernandez	roberto@thecamptc.co	323-595-9175	8315 Firestone Blvd.	90241
CA	El Cajon	David Viera	davidthecampec@gmail.com	858-663-4690	1100 Magnolia Ave., Unit C	92020
CA	El Monte	Mikhail Vasilenko	michaeltcelmonte@gmail.com	213-265-28540	10811 Valley Mall	91731
CA	Elk Grove	Lori Reid & Randy Reid	lorireid98@gmail.com randomcent@gmail.com	510-673-3970	9675 Elk Grove Florin Rd.	95624
CA	Fresno	Saul Gonzalez	sirlejend@aol.com	909-609-8652	4529 N. Marty Ave.	93722
CA	Hemet	Anthony Perez	Lupe.chambers@gmail.com	909-967-9904	751 Oakwood St., Ste A	92543
CA	Hesperia	Michelle/Jeff Croteau	michellecroteau71@gmail.com	M: 626-646-7561 J: 760-559-1318	17205 Eucalyptus St., Suite A-2	92345
CA	Huntington Beach	Kyle Glasgow	kyle@thecamptc.com	909-519-5027	18587 Main St.	92648
CA	Inglewood	Gabriel & Arcelia Alpizar	c21arcie@msn.com	562-665-4041	1117 W. Manchester Blvd. Suite PQS	90301
CA	La Mirada	Yesica Gutierrez	yesica@thecampcypress.com	714-553-8988	15843 Imperial Highway	90638
CA	Lake Elsinore	Tina Chavez	TinatCtC1@gmail.com	909-641-0342	29885 Second St. Units Q,O,P	92532

FRANCHISEES AS OF DECEMBER 31, 2025

***Franchisees who have an Area Development Agreement in force.**

State	City	Owners	Owners Email	Owners Phone #	Address	Zip
CA	Lancaster	Michole Mcbroom	michole@micholemcbroom.com	661-212-5081	42217 12th St. W, Ste A	93534
CA	Lodi	Mari Soto	sotom86@gmail.com	650-338-7319	834 W Kettleman Ln	95240
CA	Long Beach	Erica Sierra	Erica@thecamptclb.com	626-485-5080	3345 E. Artesia Blvd.	90805
CA	Menifee	Stephanie Rickabaugh	Stephanie.Rickabaugh@unionbank.com	909-717-9615	29723 New Hub Dr., Suite A	92586
CA	Midtown Fresno	Steven Diaz	steventhecamptc@gmail.com	951-532-4689	1945 N. Fine Ave.	93727
CA	Milpitas	Mark Barrientos and Darryl Santos	Barrientosmark5@gmail.com darrylnsantos@gmail.com	408-706-3602	2129 Morrill Ave.	95132
CA	Miramar	Shea Coleman / Tanya Sites	trsetis@gmail.com sheatcoleman@gmail.com	240-210-5044	6904 Miramar Rd #103 San Diego, CA	92121
CA	Modesto	Erica Cruz	ericacruz@tcmodesto.com	209-719-9358	4807 Greenleaf Circle, Suite G	95356
CA	Modesto East	Erica Cruz	ericacruz@tcmodesto.com	209-918-9125	1717 Oak Dale Rd.	95355
CA	Monrovia	Edmundo Martell & Paul Whitehead	Edmundomartell@gmail.com	562-755-9232	137 W. Maple Ave.	91016
CA	Murrieta	Alisa Munden and Charles Munden	mundentc@thecamptc.com	951-587-5857	41561 Date St.	92562

FRANCHISEES AS OF DECEMBER 31, 2025

***Franchisees who have an Area Development Agreement in force.**

State	City	Owners	Owners Email	Owners Phone #	Address	Zip
CA	Norco	Julie Luna	julie.luna@thecamptc.com	909-241-3960	2641 Hamner Ave., Unit 105 & 109	92860
CA	North Hollywood	Sonia Sagar	sonia@thecamptctc.com	909-223-1006	6219 Laural Canyon Blvd.	91606
CA	Northridge	Sonia Sagar	sonia@thecamptctc.com	909-223-1006	19513 Business Center Dr.	91324
CA	Oceanside	Emma & Leo Prieto de Torres	emma@emmaptorres.com		4095 Oceanside Blvd H	92056
CA	Ontario Ranch	Pushpender Singh, Manmeen Kaur & Miguel Sanchez	pushpenders@snsfittc.com manmeenk@snsfittc.com miguels@snsfittc.com	(562) 658-5083 (562) 200-5652 (562) 879-7051	3450 Ontario Ranch Rd Suite 3	91761
CA	Palm Desert	Alex Garcia	alexramirez.thecamptc@gmail.com	909-844-7161	41900 Corporate Way	92260
CA	Pasadena	Mayra Cortez	mcortez@thecamppasadena.com	909-306-8362	1396 E Washington Blvd Unit B	91104
CA	Perris	Lalo Alvarado, Steven Diaz & Antonio Manocchi	lalo@campaff.com, steventhecamptc@gmail.com, antoniothecamptc@gmail.com	909-534-7981	3553B N. Perris Blvd.	92571
CA	Pico Rivera	Jesus Verdiell	jesus@thecamptc.net	J: 310-629-2310 R: 323-595-9175	6035 Rosemead Blvd.	90660
CA	Pomona	Juan Valadez Anita Valadez	jvaladez@1vconstructioninc.com anitavaladez@thecamptc.com	626-400-0449	3284 N. Garey Ave. Pomona, CA will open April 2025	91767
CA	Redlands	Poli & Celeste Correra	poli.correa@thecamptc.com Celeste.Correa@thecamptc.com	562-310-6707 (909) 844-4398	721 Nevada St STE 201	92373

FRANCHISEES AS OF DECEMBER 31, 2025

***Franchisees who have an Area Development Agreement in force.**

State	City	Owners	Owners Email	Owners Phone #	Address	Zip
CA	Riverside East	Cynthia & Cisco Gascon	mzcindy@live.com cibanez88@gmail.com	909-717-4203 (909) 208-8006	8735 Trautwein Road	92508
CA	Salinas	Lesley Conover	lessinhere@gmail.com	661-916-3459	1682 N, Main St	93906
CA	San Bernardino	JJ Kunawongset	jjkunawongsetc@gmail.com	626-733-2567	2324 Sterling Ave.	92404
CA	San Diego	Shea Coleman / Tanya Sites	trsetis@gmail.com sheatcoleman@gmail.com	240-210-5044	7111 Engineer Rd.	92111
CA	San Dimas	Arnaldo Vasquez	arnaldotcsd@gmail.com	909-844-7161	173 Village Ct.	91773
CA	San Fernando	Sonia Sagar	sonia@thecamptctc.com	909-223-1006	1026 Griswold Ave	91340
CA	San Jose	David Lopez	david.lopez@thecamptc.sj.com	562-641-3000	2230 Quimby Rd.	95122
CA	San Marcos	Eileen & Rome Bundoc	eileen.tctc@gmail.com	858-245-7935	810 N. Twin Oaks Valley Rd. Suite 135	92069
CA	Sand City	Lesley Conover	lessinhere@gmail.com	661-916-3459	1807-A Contra Costa	93955
CA	Santa Ana	Lalo Alverez	lalo@campaff.com	909-534-7981	1918 S. Main St.	92707
CA	Santa Clara	Lorena Hernandez David Lopez	lorenah3262@gmail.com david.lopez@thecamptcsj.com	714-618-7648	2078 El Camino Real, Suite C	95050

FRANCHISEES AS OF DECEMBER 31, 2025

***Franchisees who have an Area Development Agreement in force.**

State	City	Owners	Owners Email	Owners Phone #	Address	Zip
CA	Santa Clarita	Sonia Sagar	sonia@thecamptctc.com	909-223-1006	18346 Soledad Canyon Rd	91387
CA	Simi Valley	Ingrid Solares	i.solares@icloud.com	818-324-0384	2837 Cochran St., A & B	93065
CA	Upland	Andrew Cruz	andrew@thecampanaheim.com	909-518-9528	1398 W. 7the Street open 4/2024	91786
CA	Ventura	Michole Mcbroom	michole@micholemcbroom.com	661-212-5081	2227 Portola Road	93003
CA	West Chula Vista	Dominic Carbajal	dominic@thecamptcsd.com	619-730-9381	675 Paloma St., Suite B&C	91910
CA	Westminster	Tony Lane	tonylane_s@ymail.com	562-508-7351	14542 Beach Blvd., Ste B	92683
CA	Whittier	Nick Borhorquez & John Moctezuma	whittiertc1@gmail.com	323-376-4883	14301 Whittier Blvd.	90605
CA	Woodland Hills	Michole Mcbroom	michole@micholemcbroom.com	661-212-5081	21028 Victory Blvd., Unit B	91367
TX	Farmers Branch	Blake Carpenter & Bradley Carpeter	blakecarpentertc@gmail.com bradleycarpentertc@gmail.com	714-402-3628	4887 Alpha Road, Suite 270	75244
TX	Garland	Sagar Sangani	sagar.sangani@gmail.com	714-600-9299	12630 E. Northwest Hwy	75228
TX	Houston	Rosie Morales	moralesmv@aol.com	713-294-8375	1420 Federal Rd.	77015
TX	Round Rock	Jasmin Longtin	jas@thecamptc.org	909-306-8362	16708 Picadilly Court #106	78664

FRANCHISEES AS OF DECEMBER 31, 2025 *Franchisees who have an Area Development Agreement in force.						
State	**City**	**Owners**	**Owners Email**	**Owners Phone #**	**Address**	**Zip**
TX	San Antonio	Jasmin Longtin	jas@thecamptc.org	909-306-8362	435 Isom Road, Suite 210	78216

CORPORATE LOCATIONS AS OF DECEMBER 31, 2025						
State	**City**	**Owners**	**Owners Emails**	**Owners Phone #**	**Center Address**	**Zip**
CA	Chino Hills	Alejandra & Luis Font	alejandra@thecamptc.com luisfont@thecamptc.com	909-306-8362 909-896-4819	14626 Central Ave	9171-
CA	Covina	Alejandra & Luis Font	alejandra@thecamptc.com luisfont@thecamptc.com	909-306-8362 909-896-4819	809 E. Edna Pl.,	91723
CA	Rancho Cucamonga	Alejandra & Luis Font	alejandra@thecamptc.com luisfont@thecamptc.com	909-306-8362 909-896-4819	9440 Dover Way,	91730
CA	Riverside	Alejandra & Luis Font	alejandra@thecamptc.com luisfont@thecamptc.com	909-306-8362 909-896-4819	10403 Magnolia Ave Unit B	92505

SEE NEXT PAGE FOR FRANCHISES SIGNED BUT NOT OPEN AS OF 12/31/2025

Franchise Agreement signed but Center not open as of 12/31/2025:						
State	**City**	**Owners**	**Owners Emails**	**Owners Phone #**	**Center Address**	**Zip**
CA	Diamond Bar	Manmeen Kaur	Manmeen.saini@gmailc.com	562-200-5652	Location not determined	
CA	Carlsbad	Tim Senkeeto	timothy.senkeeto@thecamptc.com	702-688-2299	Process of reassigning to Largo, Maryland	
CA	Indio	Alex Ramirez	alexramirez.thecamptc@gmail.com	760-771-7817	Location not determined	
CA	Jurupa Valley	Steven Diaz & Saul Gonzalez	steventhecamptc@gmail.com & Sirlejand@aol.com	909-609-8652	8830-8836 Limonite Ave.	92509
CA	Orange	JJ Kunawongse	jjkunawongse@gmail.com	626-733-2567	Will not open	
CA	Tracy	Lori Reid and Randy Reid	lorireid98@gmail.com & randomcent@gmail.com	510-673-3970	Location not determined	
CA	Santa Monica	Carmen and Erick Williams	carmen.williams@thecamptc.com	323-828-4624	On hold	
CA	Palo Alto	Fred Schulze	Fred.schulze@gmail.com	530-613-6566	On hold	
TX[1]	Missouri City	Eric Murray	ericmurray@thecamptc.com	(414) 217-2046	9830 Hwy 6	77459

[1] This franchisee purchased three territories as of December 31, 2025 – however, only one Center is expected to open in 2026.

EXHIBIT H

FRANCHISEES WHO EXITED A CENTER DURING 2025

FRANCHISEE EXITS IN 2025

State	City	Owner	Email	Telephone	Center Address	Zip	Reason
CA	Van Nuys	Sonia Sagar	sonia@thecamptctc.com	(909)223-1006	7815 Van Nuys Blvd Ste C,	91402	Mutual Termination
CA	Palmdale	Jasmin Montes De Oca	jasmin.montesdeoca@gmail.com	(323) 573-2937	3005 E. Palmdale Blvd.	93550	Mutual Termination
CA	Temecula South	Fabiola Gonzalez	gonzalezfabiola94@gmail.com	(714) 365-4434	31701 Temecula Pkwy., Suite A	92592	Closure
CA	Laguna	Melissa Caillouette	Melissa.thecamp@gmail.com	(323) 200-4035	27120 Cabot Rd., Suite B.	92653	Mutual Termination
CA	Downtown Longbeach	Erica Sierra	erica@thecamptclb.com	(626) 485-5080	245 The Promenade N. Ste. 100	90802	Mutual Termination
CA	Dublin	Jose Reynoso	reynoso@thecamptclivermore.com	(209) 303-0731	6521 Sierra Lane, CA, Dublin	94568	Mutual Termination
CA	East Los Angeles	Jesus Verdiell	jesus@thecamptc.net	(310) 629-2310	4768 Whittier Boulevard	90022	Mutual Termination
OH	Parma	Lauren Young	laurenleeann@thecampparma.com	(626) 616-8711	5275 Commerce Pkwy W,	44130	Mutual Termination
TX	McKinney	Sagar Sangani	sagar.sangani@gmail.com	(714) 600-9299	1701 Eldorado Pkwy #206	75069	Mutual Termination
TX	South Ft Worth	Jeff Carpenter	jeffcarpentertc@gmail.com	(714) 336-9020	5203 McCart Ave,	76115	Mutual Termination

TRANSFERS IN 2025 (Franchisee sold Center to a new owner)

State	City	Former Owner	Email	Telephone	Center Address	Zip	Sold to:
CA	Ontario Ranch	Andrew Cruz	andrew@acfitllc.com	909-518-9528	3450 Ontario Ranch Rd Suite 3	91761	Pushpender Singh, Manmeen Kaur & Miguel Sanchez
CA	Carson	Robert Beggs	robert@thebeggslawfirm.com	714-318-5422	21023 S. Figueroa St	90745	Tony & Kerica Summage
CA	Menifee	Rob & Denise Nelson	dn6459944@gmail.com	951-551-6198	29723 New Hub Dr. Suite A Menifee Lakes,	92586	Stephanie Rickabaugh
CA	Brentwood	Sophia & John Mckenzie	jdavidmck@yahoo.com dbwcampco@gmail.com	209-601-2695	7830 Brentwood Blvd.	94513	Tammie & David Zapata
CA	El Monte	Jimmy Wang	Sgcamp9@gmail.com	626-353-3103	10811 Valley Mall	91731	Mikhail Vasilenko
CA[1]	Oceanside	Alejandra & Luis Font	alejandra@thecamptc.com luisfont@thecamptc.com	909-306-8362 909-896-4819	4095 Oceanside Blvd H	92056	Emma & Leo Prieto de Torres
CA[2]	Covina	Carlo & Jared Destine	carlo@thecampcovina.com	909-485-8316	809 E. Edna Pl.	91723	Alejandra & Luis Font

[1] This corporate location was transferred to a franchisee.
[2] This franchised location was transferred to franchisor.

EXHIBIT I

STATE-SPECIFIC DISCLOSURES AND STATE-REQUIRED CONTRACT ADDENDA

INFORMATION REQUIRED
BY THE STATE OF CALIFORNIA

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

SEE THE COVER PAGE OF THE DISCLOSURE DOCUMENT FOR OUR WEBSITE ADDRESS. OUR WEBSITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION. ANY COMPLAINTS CONCERNING THE CONTENT OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION AT **www.dfpi.ca.gov.**

Item 3, Additional Disclosure.

Neither we nor any person in Item 2 is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities Exchange Act of 1934, 15 U.S.C.A. 78a *et seq.*, suspending or expelling such parties from membership in such association or exchange.

Item 17, Additional Disclosures.

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

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

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

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

The Franchise Agreement requires application of the laws of the state in which the franchise is located. The Area Development Agreement requires application of the laws of the state of California. These provisions may not be enforceable under California law.

The Franchise Agreement requires binding arbitration, except with respect to certain claims brought by us relating to your continued use of our Marks and the System and injunctive relief. The arbitration will occur within the county in which our corporate headquarters are then located (currently San Bernardino County, California).

The Area Development Agreement contains a venue provision for litigation of all claims within the county in which our corporate headquarters are then located (currently San Bernardino County, California).

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

You must sign a general release if you transfer area development rights or renew or transfer the franchise. This provision may not be enforceable under California law. California Corporations Code Section 31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code Sections 31000 through 31516). Business and Professional Code Section 21000 voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code Sections 20000 through 20043).

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

Item 22, Additional Disclosures.

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

CALIFORNIA ADDENDUM TO THE FRANCHISE AGREEMENT AND AREA DEVELOPMENT AGREEMENT

This Addendum relates to franchises sold in California and is intended to comply with the California statutes and regulations. The parties agree to supplement the Franchise Agreement and Area Development Agreement (the "Agreement") as follows:

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

2. This Addendum will have effect only if the Agreement and/or the relationship between you and The Camp Franchise Systems, LLC satisfy all of the jurisdictional requirements of the California Franchise Investment Law, without considering this Addendum. Except as expressly modified by this Addendum, the Agreement remains unmodified and in full force and effect.

THE CAMP FRANCHISE SYSTEMS, LLC	**FRANCHISEE/DEVELOPER** [print company name]: _____
By:_____	By:_____
	Print Name:_____
Title:_____	Title:_____

INFORMATION REQUIRED
BY THE STATE OF ILLINOIS

The payment of initial Franchise/Development fees owed to Franchisor/affiliate will be deferred until Franchisor has met its initial obligations to franchisee/developer, and franchisee/developer has commenced doing business. This financial assurance requirement was imposed by the Office of the Illinois Attorney General due to Franchisor's financial condition.

Illinois law governs the Franchise Agreement.

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

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

In conformance with section 41 of the Illinois Franchise Disclosure Act, any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act **or any other law of Illinois** is void.

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

ILLINOIS ADDENDUM TO THE FRANCHISE AGREEMENT

This Addendum relates to franchises sold in Illinois and is intended to comply with Illinois statutes and regulations. The parties agree to modify the Franchise Agreement as follows:

1. Payment of the Initial Franchise Fee owed to Franchisor/affiliate will be deferred until Franchisor has met its initial obligations to Franchisee and Franchisee has commenced doing business. This financial assurance requirement was imposed by the Office of the Illinois Attorney General due to Franchisor's financial condition.

2. Illinois law governs the Franchise Agreement.

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

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

5. In conformance with section 41 of the Illinois Franchise Disclosure Act, any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act **or any other law of Illinois** is void.

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

THE CAMP FRANCHISE SYSTEMS, LLC	**FRANCHISEE** [print company name]:
	_____
By:_____	By:_____
	Print Name:_____
Title:_____	Title:_____

ILLINOIS ADDENDUM TO THE
AREA DEVELOPMENT AGREEMENT

This Addendum relates to franchises sold in Illinois and is intended to comply with Illinois statutes and regulations. The parties agree to modify the Area Development Agreement as follows:

1. Payment of the Development Fee owed to Franchisor/affiliate will be deferred until Franchisor has met its initial obligations to Developer and Developer has commenced doing business. This financial assurance requirement was imposed by the Office of the Illinois Attorney General due to Franchisor's financial condition.

2. Illinois law governs the Franchise Agreement.

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

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

5. In conformance with section 41 of the Illinois Franchise Disclosure Act, any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act **or any other law of Illinois** is void.

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

THE CAMP FRANCHISE SYSTEMS, LLC	**DEVELOPER** [print company name]:
	_____
By:_____	By:_____
	Print Name:_____
Title:_____	Title:_____

INDIANA ADDENDUM TO THE FRANCHISE AGREEMENT AND AREA DEVELOPMENT AGREEMENT

This Addendum relates to franchises sold in Indiana and is intended to comply with the Indiana statutes and regulations. The parties agree to supplement the Franchise Agreement and Area Development Agreement (the "Agreement") as follows:

1. Pursuant to Section 23.2-2.7-1 of the Indiana Code, it is unlawful for any franchise agreement entered into between any franchisor and a franchisee who is either a resident of Indiana or a nonresident who will be operating a franchise in Indiana to contain any of the following provisions:

(1) Requiring goods, supplies, inventories, or services to be purchased exclusively from the franchisor or sources designated by the franchisor where such goods, supplies, inventories, or services of comparable quality are available from sources other than those designated by the franchisor. However, the publication by the franchisor of a list of approved suppliers of goods, supplies, inventories, or service or the requirement that such goods, supplies, inventories, or services comply with specifications and standards prescribed by the franchisor does not constitute designation of a source nor does a reasonable right of the franchisor to disapprove a supplier constitute a designation. This subdivision does not apply to the principal goods, supplies, inventories, or services manufactured or trademarked by the franchisor.

(2) Allowing the franchisor to establish a franchisor-owned outlet engaged in a substantially identical business to that of the franchisee within the exclusive territory granted the franchisee by the franchise agreement; or, if no exclusive territory is designated, permitting the franchisor to compete unfairly with the franchisee within a reasonable area.

(3) Allowing substantial modification of the franchise agreement by the franchisor without the consent in writing of the franchisee.

(4) Allowing the franchisor to obtain money, goods, services, or any other benefit from any other person with whom the franchisee does business, on account of, or in relation to, the transaction between the franchisee and the other person, other than for compensation for services rendered by the franchisor, unless the benefit is promptly accounted for, and transmitted to the franchisee.

(5) Requiring the franchisee to prospectively assent to a release, assignment, novation, waiver, or estoppel which purports to relieve any person from liability to be imposed by this chapter or requiring any controversy between the franchisee and the franchisor to be referred to any person, if referral would be binding on the franchisee. This subdivision does not apply to arbitration before an independent arbitrator.

(6) Allowing for an increase in prices of goods provided by the franchisor which the franchisee had ordered for private retail consumers prior to the franchisee's receipt of an official price increase notification. A sales contract signed by a private retail consumer shall constitute evidence of each order. Price changes applicable to new models of a product at the time of introduction of such new models shall not be considered a price increase. Price increases caused by conformity to a state or federal law, or the revaluation of the United States dollar in the case of foreign-made goods, are not subject to this subdivision.

(7) Permitting unilateral termination of the franchise if such termination is without good cause or in bad faith. Good cause within the meaning of this subdivision includes any material violation of the franchise agreement.

(8) Permitting the franchisor to fail to renew a franchise without good cause or in bad faith. This chapter shall not prohibit a franchise agreement from providing that the agreement is not renewable upon expiration or that the agreement is renewable if the franchisee meets certain conditions specified in the agreement.

(9) Requiring a franchisee to covenant not to compete with the franchisor for a period longer than three (3) years or in an area greater than the exclusive area granted by the franchise agreement or, in absence of such a provision in the agreement, an area of reasonable size, upon termination of or failure to renew the franchise.

(10) Limiting litigation brought for breach of the agreement in any manner whatsoever.

(11) Requiring the franchisee to participate in any:

(A) advertising campaign or contest;

(B) promotional campaign;

(C) promotional materials; or

(D) display decorations or materials;

at an expense to the franchisee that is indeterminate, determined by a third party, or determined by a formula, unless the franchise agreement specifies the maximum percentage of gross monthly sales or the maximum absolute sum that the franchisee may be required to pay.

2. If the Agreement contains a provision that is inconsistent with the Indiana Code, the provisions of the Indiana Code will supersede the Agreement.

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

4. This Addendum will have effect only if the Agreement and/or the relationship between you and The Camp Franchise Systems, LLC satisfy all of the jurisdictional requirements of the Indiana Code, without considering this Addendum. Except as expressly modified by this Addendum, the Agreement remains unmodified and in full force and effect.

[signature page follows]

THE CAMP FRANCHISE SYSTEMS, LLC

By:_____

Title:_____

FRANCHISEE/DEVELOPER
[print company name]:

_____

By:_____

Print Name:_____

Title:_____

INFORMATION REQUIRED BY THE STATE OF MARYLAND

Items 5 and 7, Additional Disclosures.

The Maryland Securities Commissioner has required that, due to our financial condition, we defer the payment of all initial fees (including the initial franchise fee and the Development Fee) until we have completed all of our pre-opening obligations. Upon the Opening Date of the Center, you must pay to us the initial franchise fee for the Center. If you have signed a Development Agreement, the Development Fee will be paid on a prorated basis, with the portion of the Development Fee attributable to the Center (which is $40,000 for the first Center and $20,000 for each additional Required Center) paid to us after we complete our pre-opening obligations, and that Center opens.

Item 17, Additional Disclosures.

The Franchise Agreement provides for termination upon bankruptcy. This provision may not be enforceable under federal bankruptcy law (11 U.S.C. Section 101 *et seq.*).

The Franchise Agreement requires the franchisee to sign a general release as a condition of renewal or transfer of the franchise. This release will not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

A franchisee may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

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

Item 22, Additional Disclosures.

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

MARYLAND ADDENDUM TO THE FRANCHISE AGREEMENT

In recognition of the Maryland Franchise Registration and Disclosure Law, Maryland Stat. §§ 14-201 to 14-233, and the Rules and Regulations promulgated thereunder, the parties agree to modify the Franchise Agreement as follows:

1. Initial Franchise Fee. The following is added to Section 2.1(a):

The Maryland Securities Commissioner has imposed a deferral requirement. Therefore, notwithstanding the foregoing, We will defer payment of the Initial Franchise Fee payable under this Section 2.1(a) and other pre-commencement payments owed by You to Us until You open the Center for business. Upon the opening of the Center, You will pay the Initial Franchise Fee to Us.

2. Releases. The following sentence is added to the end of Sections 3.2(h) and 13.5(b)(ix):

This release will not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

3. Acknowledgment. Section 16.16 is amended by adding the following sentence:

The foregoing acknowledgements and representations are not intended to nor shall they act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.

4. Governing Law. Section 16.5 is amended by adding the following sentence:

Notwithstanding the foregoing, the Maryland Franchise Registration and Disclosure Law shall govern any claim arising under that law.

5. Venue. Section 16.6 is amended by adding the following sentence:

Any choice of forum for litigation is subject to Your right to bring an action under the Maryland Franchise Registration and Disclosure Law in Maryland.

6. Entire Agreement. Section 16.14 is amended by adding the following sentence:

Notwithstanding anything to the contrary in this Agreement, You are not required to waive any of Your rights under the Maryland Franchise Registration and Disclosure Law with regard to Our prior representations.

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

8. This Addendum will have effect only if the Franchise Agreement and/or the relationship between Us and You satisfy all of the jurisdictional requirements of the Maryland Franchise Registration and Disclosure Law, without considering this Addendum. Except as expressly modified by this Addendum, the Franchise Agreement remains unmodified and in full force and effect.

THE CAMP FRANCHISE SYSTEMS, LLC

By:_____

Title:_____

FRANCHISEE [print company name]:

_____

By:_____

Print Name:_____

Title:_____

MARYLAND ADDENDUM TO THE
AREA DEVELOPMENT AGREEMENT

In recognition of the Maryland Franchise Registration and Disclosure Law, Maryland Stat. §§ 14-201 to 14-233, and the Rules and Regulations promulgated thereunder, the parties agree to modify the Area Development Agreement as follows:

1. Development Fee. The following is added to Sections 3.1 and 3.2:

The Maryland Securities Commissioner requires Us to defer payment of the Development Fee and other initial payments which are owed by You to Us on a prorated basis. Therefore, notwithstanding the foregoing, for each Required Center to be developed under this Agreement, You must pay to us the Development Fee attributable to each Required Center (which is $40,000 for the first Center and $20,000 for each additional Required Center) after We complete our pre-opening obligations, and that Required Center opens.

2. Venue. Section 10.1(f) is amended by adding the following sentence:

Any choice of forum for litigation is subject to Your right to bring an action under the Maryland Franchise Registration and Disclosure Law in Maryland.

3. Entire Agreement. Section 10.1(l) is amended by adding the following sentence:

Notwithstanding anything to the contrary in this Agreement, You are not required to waive any of Your rights under the Maryland Franchise Registration and Disclosure Law with regard to Our prior representations.

4. Acknowledgments. Section 10.2 is hereby deleted.

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

6. This Addendum will have effect only if the Area Development Agreement and/or the relationship between Us and You satisfy all of the jurisdictional requirements of the Maryland Franchise Registration and Disclosure Law, without considering this Addendum. Except as expressly modified by this Addendum, the Area Development Agreement remains unmodified and in full force and effect.

THE CAMP FRANCHISE SYSTEMS, LLC

By:_____

Title:_____

DEVELOPER [print company name]:

_____

By:_____

Print Name:_____

Title:_____

INFORMATION REQUIRED
BY THE STATE OF MICHIGAN

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

(a) A prohibition on your right to join an association of franchisees.

(b) A requirement that you assent to a release, assignment, novation, waiver, or estoppel which deprives you of rights and protections provided in this act. This shall not preclude you, after entering into a Franchise Agreement, from settling any and all claims.

(c) A provision that permits us to terminate a franchise prior to the expiration of its term except for good cause. Good cause shall include your failure 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 us to refuse to renew your franchise without fairly compensating you by repurchase or other means for the fair market value at the time of expiration of your inventory, supplies, equipment, fixtures, and furnishings. Personalized materials which have no value to us and inventory, supplies, equipment, fixtures, and furnishings not reasonably required in the conduct of the franchise business are not subject to compensation. This subsection applied only if: (i) the term of the franchise is less than 5 years and (ii) you are 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 you do not receive at least 6 months advance notice of our intent not to renew the franchise.

(e) A provision that permits us 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 you from entering into an agreement, at the time of arbitration, to conduct arbitration at a location outside this state.

(g) A provision which permits us to refuse to permit a transfer of ownership of a franchise, except for good cause. This subdivision does not prevent us from exercising a right of first refusal to purchase the franchise. Good cause shall include, but is not limited to:

(i) The failure of the proposed transferee to meet our then current reasonable qualifications or standards.

(ii) The fact that the proposed transferee is a competitor of us or our subfranchisor.

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

(iv) You or your proposed transferee's failure to pay any sums owing to us or to cure any default in the Franchise Agreement existing at the time of the proposed transfer.

(h) A provision that requires you to resell to us items that are not uniquely identified with us. This subdivision does not prohibit a provision that grants to us 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 us the right to acquire the assets of a franchise for the market or appraised value of such assets if you have breached the lawful provisions of the Franchise Agreement and have failed to cure the breach in the manner provided in subdivision (c).

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

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

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: Telephone Number: (517) 373-7117

State of Michigan, Department of Attorney General
Consumer Protection Division, Attn: Franchise
670 Law Building
Lansing, Michigan 48913

INFORMATION REQUIRED
BY THE STATE OF MINNESOTA

State Cover Page – Additional Risk Factor.

THE FRANCHISOR IS AT AN EARLY STAGE OF DEVELOPMENT AND HAS A LIMITED OPERATING HISTORY. THIS FRANCHISE IS LIKELY TO BE A RISKIER INVESTMENT THAN A FRANCHISE IN A SYSTEM WITH A LONGER OPERATING HISTORY.

Item 13, Additional Disclosure.

We will indemnify you against liability to a third party resulting from claims that your use of the Marks infringes trademark rights of the third party, provided that your use of the Marks is in accordance with the requirements of the Franchise Agreement and the System.

Item 17, Additional Disclosures.

We will comply with Minnesota Statutes Section 80C.14, subdivisions 3, 4, and 5, which 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 non-renewal of the Franchise Agreement.

Minnesota Statutes § 80C.21 and Minnesota Rule 2860.4400J prohibit us from requiring you to waive your rights as provided for in Minnesota Statutes, Chapter 80C, or your rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

Minnesota Rule 2860.4400D prohibits us from requiring you to assent to a release, assignment, novation, or waiver that would relieve any person from liability imposed by Minnesota Statutes §§ 80C.01 - 80C.22.

Minnesota Rule 2860.4400J prohibits us from requiring you to waive your rights to a trial or to consent to liquidated damages, termination penalties, or judgment notes. This rule does not bar a voluntary arbitration of any matter.

Item 22, Additional Disclosures.

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

MINNESOTA ADDENDUM TO THE FRANCHISE AGREEMENT

In recognition of the Minnesota Franchises Law, Minn. Stat. §§ 80C.01-80C.22, and the Rules and Regulations promulgated thereunder by the Minnesota Commissioner of Commerce, the parties agree to modify the Franchise Agreement as follows:

1. Releases. The following sentence is added to Section 3.2(h) and Section 13.5(b)(ix):

> Notwithstanding the foregoing, you will not be required to assent to a release, assignment, novation, or waiver that would relieve any person from liability imposed by Minnesota Statute §§ 80C.01 - 80C.22, provided that the foregoing shall not bar the voluntary settlement of disputes.

2. Term and Successor Franchise Agreement; Default and Termination. Section 3.2 and Section 15 are each amended by adding the following:

> Notwithstanding anything to the contrary in Sections 3 and 16, we will comply with Minnesota Statutes Clause 80C.14, Subdivision 3, 4, and 5, which require, except in certain cases, that Minnesota franchisees be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of the Franchise Agreement.

3. Proprietary Marks and Copyrights. Section 14 is amended by adding the following:

> We will indemnify you against liability to a third party resulting from claims that your use of the Marks infringes trademark rights of the third party, provided that your use is in accordance with the requirements of the Franchise Agreement and the System.

4. Jurisdiction and Venue. Section 16.6 is amended to add the following:

> Under Minnesota Statutes Section 80C.21, this section will not in any way abrogate or reduce any rights of the Franchisee as provided for in Minnesota Statutes, Chapter 80C, including the right to submit matters to the jurisdiction of the courts in Minnesota. Minnesota Statutes Section 80C.21 and Minnesota Rule 2860.4400J prohibit us from requiring litigation to be conducted outside Minnesota.

5. Time Limit on Filing. Section 16.7 is amended to add the following:

> Notwithstanding anything to the contrary in this Agreement, any claim or action arising out of or relating to the Minnesota Franchises Law must be commenced within three (3) years from the occurrence of the facts giving rise to the claim or action, or the claim or action is barred.

6. Entire Agreement; Disclosure Statement and Disclaimer; Acknowledgments. Section 16.14 and Section 16.16 are each amended by adding the following:

> Pursuant to Minn. Stat. § 80C.21 and Minn. Rule Part 2860.4400J, nothing in the Agreement shall in any way abrogate or reduce any of your rights as provided for in Minnesota Statutes, Chapter 80C.

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

8. This Addendum will have effect only if the Franchise Agreement and/or the relationship between you and The Camp Franchise Systems, LLC satisfy all of the jurisdictional requirements of Minnesota Statutes §§ 80C.01 - 80C.22. Except as expressly modified by this Addendum, the Franchise Agreement remains unmodified and in full force and effect.

THE CAMP FRANCHISE SYSTEMS, LLC	**FRANCHISEE** [print company name]:
	_____
By:_____	By:_____
	Print Name:_____
Title:_____	Title:_____

MINNESOTA ADDENDUM TO THE DEVELOPMENT AGREEMENT

In recognition of the Minnesota Franchises Law, Minn. Stat. §§ 80C.01-80C.22, and the Rules and Regulations promulgated thereunder by the Minnesota Commissioner of Commerce, the parties agree to modify the Development Agreement as follows:

1. Releases. The following sentence is added to Section 6.2(f):

> Notwithstanding the foregoing, you will not be required to assent to a release, assignment, novation, or waiver that would relieve any person from liability imposed by Minnesota Statute §§ 80C.01 - 80C.22, provided that the foregoing shall not bar the voluntary settlement of disputes.

2. Term; Default and Termination. Section 3 and Section 7 are each amended by adding the following:

> Notwithstanding anything to the contrary in Sections 3 and 7, we will comply with Minnesota Statutes Clause 80C.14, Subdivision 3, 4, and 5, which require, except in certain cases, that Minnesota franchisees be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of the Development Agreement.

3. Jurisdiction and Venue. Section 9.1(d) is amended to add the following:

> Under Minnesota Statutes Section 80C.21, this section will not in any way abrogate or reduce any rights of the Developer as provided for in Minnesota Statutes, Chapter 80C, including the right to submit matters to the jurisdiction of the courts in Minnesota. Minnesota Statutes Section 80C.21 and Minnesota Rule 2860.4400J prohibit us from requiring litigation to be conducted outside Minnesota.

4. Time Limit on Filing. Section 9.1 is amended to add the following new subparagraph 9.1(h):

> (h) Notwithstanding anything to the contrary in this Agreement, any claim or action arising out of or relating to the Minnesota Franchises Law must be commenced within three (3) years from the occurrence of the facts giving rise to the claim or action, or the claim or action is barred.

5. Entire Agreement; Disclosure Statement and Disclaimer; Acknowledgments. Section 9.1(g) and 9.2 are each amended by adding the following:

> Pursuant to Minn. Stat. § 80C.21 and Minn. Rule Part 2860.4400J, nothing in the Agreement shall in any way abrogate or reduce any of your rights as provided for in Minnesota Statutes, Chapter 80C.

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

7. This Addendum will have effect only if the Development Agreement and/or the relationship between you and The Camp Franchise Systems, LLC satisfy all of the jurisdictional requirements of Minnesota Statutes §§ 80C.01 - 80C.22. Except as expressly modified by this Addendum, the Development Agreement remains unmodified and in full force and effect.

THE CAMP FRANCHISE SYSTEMS, LLC	**DEVELOPER** [print company name]:
	_____
By: _____	By: _____
	Print Name: _____
Title: _____	Title: _____

INFORMATION REQUIRED
BY THE STATE OF NEW YORK

Cover page, Additional Disclosures.

INFORMATION COMPARING FRANCHISORS IS AVAILABLE. CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT E OR YOUR PUBLIC LIBRARY FOR SOURCES OF INFORMATION. REGISTRATION OF THIS FRANCHISE BY NEW YORK STATE DOES NOT MEAN THAT NEW YORK STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS FRANCHISE DISCLOSURE DOCUMENT. IF YOU LEARN THAT ANYTHING IN THE FRANCHISE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND NEW YORK STATE DEPARTMENT OF LAW, INVESTOR PROTECTION BUREAU, 28 LIBERTY STREET, 21ST FLOOR, NEW YORK, NEW YORK 10005.

THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE FRANCHISE DISCLOSURE DOCUMENT. HOWEVER, THE FRANCHISOR CANNOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS WHICH ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS FRANCHISE DISCLOSURE DOCUMENT.

Item 3, Additional Disclosures.

Except as provided above, with regard to the franchisor, its predecessor, a person identified in Item 2, or an affiliate offering franchises under the franchisor's principal trademark:

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

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

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

D. No such party is subject to a currently effective injunctive or restrictive order or decree relating to the franchise, or under a Federal, State, or Canadian franchise, securities, antitrust, trade regulation or trade practice law, resulting from a concluded or pending action or proceeding brought by a public agency; or is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities and Exchange Act of 1934, suspending or expelling such person from membership in such association or exchange; or is subject

to a currently effective injunctive or restrictive order relating to any other business activity as a result of an action brought by a public agency or department, including, without limitation, actions affecting a license as a real estate broker or sales agent.

Item 4, Additional Disclosure.

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

Item 5, Additional Disclosure.

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

Item 17, Revised Disclosures.

1. The following is added to the end of the "Summary" sections of Item 17(c), titled "**Requirements for franchisee to renew or extend**," and Item 17(m), entitled "**Conditions for Our approval of transfer"**:

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

2. The following language replaces the "Summary" section of Item 17(d), titled **"Termination by franchisee"**:

You may also terminate the Franchise Agreement on any grounds available by law.

3. The following is added to the end of the "Summary" section of Item 17(j), titled "**Assignment of contract by Us"**:

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

4. The following is added to the end of the "Summary" sections of Item 17(v), titled "**Choice of forum"**, and Item 17(w), titled "**Choice of law"**:

The foregoing choice of law should not be considered a waiver of any right conferred upon the franchisor or upon the franchisee by Article 33 of the General Business Law of the State of New York.

Item 22, Additional Disclosures.

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

STATEMENT OF DISCLOSURE DOCUMENT ACCURACY

THE FRANCHISOR REPRESENTS THAT THIS DISCLOSURE DOCUMENT DOES NOT KNOWINGLY OMIT ANY MATERIAL FACT OR CONTAIN ANY UNTRUE STATEMENT OF A MATERIAL FACT.

INFORMATION REQUIRED
BY THE COMMONWEALTH OF VIRGINIA

In recognition of the restrictions contained in Section 13.1-564 of the Virginia Retail Franchising Act, the Franchise Disclosure Document for use in the Commonwealth of Virginia is amended to add the following:

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

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

Item 22, Additional Disclosures.

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

WASHINGTON ADDENDUM TO THE FRANCHISE DISCLOSURE DOCUMENT, THE FRANCHISE AGREEMENT, THE DEVELOPMENT AGREEMENT, AND ALL RELATED AGREEMENTS

The provisions of this Addendum form an integral part of, are incorporated into, and modify the Franchise Disclosure Document, the franchise agreement, and all related agreements regardless of anything to the contrary contained therein. This Addendum applies if: (a) the offer to sell a franchise is accepted in Washington; (b) the purchaser of the franchise is a resident of Washington; and/or (c) the franchised business that is the subject of the sale is to be located or operated, wholly or partly, in Washington.

1. **Conflict of laws.** In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, chapter 19.100 RCW will prevail.

2. **Franchisee Bill of Rights**. RCW 19.100.180 may supersede provisions in the franchise agreement or related agreements concerning your relationship with the franchisor, including in the areas of termination and renewal of your franchise. There may also be court decisions that supersede the franchise agreement or related agreements concerning your relationship with the franchisor. Franchise agreement provisions, including those summarized in Item 17 of the Franchise Disclosure Document, are subject to state law.

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

4. **General Release**. A release or waiver of rights in the franchise agreement or related agreements purporting to bind the franchisee to waive compliance with any provision under the Washington Franchise Investment Protection Act or any rules or orders thereunder is void except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2). In addition, any such release or waiver executed in connection with a renewal or transfer of a franchise is likewise void except as provided for in RCW 19.100.220(2).

5. **Statute of Limitations and Waiver of Jury Trial**. Provisions contained in the franchise agreement or related agreements that unreasonably restrict or limit the statute of limitations period for claims under the Washington Franchise Investment Protection Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.

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

7. **Termination by Franchisee**. The franchisee may terminate the franchise agreement under any grounds permitted under state law.

8. **Certain Buy-Back Provisions**. Provisions in franchise agreements or related agreements that permit the franchisor to repurchase the franchisee's business for any reason during the term of the franchise agreement without the franchisee's consent are unlawful pursuant to RCW 19.100.180(2)(j), unless the franchise is terminated for good cause.

9. **Fair and Reasonable Pricing**. Any provision in the franchise agreement or related agreements that requires the franchisee to purchase or rent any product or service for more than a fair and reasonable price is unlawful under RCW 19.100.180(2)(d).

10. **Waiver of Exemplary & Punitive Damages**. RCW 19.100.190 permits franchisees to seek treble damages under certain circumstances. Accordingly, provisions contained in the franchise agreement or elsewhere requiring franchisees to waive exemplary, punitive, or similar damages are void, except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2).

11. **Franchisor's Business Judgment**. Provisions in the franchise agreement or related agreements stating that the franchisor may exercise its discretion on the basis of its reasonable business judgment may be limited or superseded by RCW 19.100.180(1), which requires the parties to deal with each other in good faith.

12. **Indemnification**. Any provision in the franchise agreement or related agreements requiring the franchisee to indemnify, reimburse, defend, or hold harmless the franchisor or other parties is hereby modified such that the franchisee has no obligation to indemnify, reimburse, defend, or hold harmless the franchisor or any other indemnified party for losses or liabilities to the extent that they are caused by the indemnified party's negligence, willful misconduct, strict liability, or fraud.

13. **Attorneys' Fees**. If the franchise agreement or related agreements require a franchisee to reimburse the franchisor for court costs or expenses, including attorneys' fees, such provision applies only if the franchisor is the prevailing party in any judicial or arbitration proceeding.

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

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

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

17. **Prohibitions on Communicating with Regulators**. Any provision in the franchise agreement or related agreements that prohibits the franchisee from communicating with or complaining to regulators is inconsistent with the express instructions in the Franchise Disclosure Document and is unlawful under RCW 19.100.180(2)(h).

18. **Advisory Regarding Franchise Brokers**. Under the Washington Franchise Investment Protection Act, a "franchise broker" is defined as a person that engages in the business of the offer or sale of franchises. A franchise broker represents the franchisor and is paid a fee for

referring prospects to the franchisor and/or selling the franchise. If a franchisee is working with a franchise broker, franchisees are advised to carefully evaluate any information provided by the franchise broker about a franchise.

Special Risks to Consider About This Franchise:

Financial Condition: The franchisor's financial condition, as reflected in its financial statements (see Item 21), calls into question the franchisor's ability to provide services and support to you.

Item 5, Additional disclosure:

The Washington Department of Financial Institutions has required that, due to our financial condition, we defer the payment of all initial fees (including the initial franchise fee and the Development Fee) until we have completed all of our pre-opening obligations and the franchise is open for business. Upon the Opening Date of the Center, you must pay to us the initial franchise fee for the Center. If you have signed a Development Agreement, the Development Fee will be paid on a prorated basis, with the portion of the Development Fee attributable to the Center (which is $40,000 for the first Center and $20,000 for each additional Required Center) paid to us after we complete our pre-opening obligations, and that Center opens.

The following is added to Section 2.1(a) of the Franchise Agreement:

The Washington Department of Financial Institutions has imposed a fee deferral requirement. Therefore, notwithstanding the foregoing, We will defer payment of the Initial Franchise Fee payable under this Section 2.1(a) and other pre-commencement payments owed by You to Us until We have completed Our pre-opening obligations and You open the Center for business. Upon the opening of the Center, You will pay the Initial Franchise Fee to Us.

The following is added to Sections 3.1 and 3.2 of the Development Agreement:

The State of Washington Department of Financial Institutions Securities Division requires Us to defer payment of the Development Fee and other initial payments which are owed by You to Us on a prorated basis. Therefore, notwithstanding the foregoing, for each Required Center to be developed under this Agreement, You must pay to us the Development Fee attributable to each Required Center (which is $40,000 for the first Center and $20,000 for each additional Required Center) after We complete our pre-opening obligations and that Required Center opens.

THE CAMP FRANCHISE SYSTEMS, LLC	**FRANCHISEE** [print company name]:
	_____
By:_____	By:_____
Title:_____	Title:_____

State Effective Dates

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

This disclosure document is effective and may be used in the following states, where the document is filed, registered or exempt from registration, as of the Effective Date stated below:

STATE	EFFECTIVE DATE
California	*Pending*
Illinois	*Pending*
Indiana	*Pending*
Maryland	*Pending*
Michigan	*Pending*
Minnesota	*Pending*
New York	*Pending*
Virginia	*Pending*
Washington	*Pending*
Wisconsin	*Pending*

Other states may require registration, filing, or exemption of a franchise under other laws, such as those that regulate the offer and sale of business opportunities or seller-assisted marketing plans.

RECEIPT
(Our Copy)

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

If The Camp Franchise Systems LLC offers you a franchise, it must provide this document to you 14 calendar days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale. **New York** requires that 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. **Iowa** requires that we give you this disclosure document at the earlier of the first personal meeting or 14 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 The Camp does not deliver this disclosure document on time or if it contains a false or misleading statement or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and to the appropriate state agency listed in Exhibit E.

The franchisor is The Camp Franchise Systems LLC, 5871 Pine Avenue, Suite 200, Chino Hills, CA 91709, tel. no. (909) 325-6011. The franchise sellers are Alejandra Font, Luis Font, and Kyle Glasgow.

Issuance date: April 6, 2026

The Camp authorizes the state agencies in Exhibit E to receive service of process for the company in that particular state.

I received a Franchise Disclosure Document dated April 6, 2026 that included the following Exhibits:

A. Franchise Agreement
B. Area Development Agreement
C. Operations Manual Table of Contents
D. Sample Release
E. State Franchise Administrators; Agents for Service of Process
F. Financial Statements
G. Franchisees as of December 31, 2025
H. Franchisees who Exited a Center during 2025
I. State Specific Disclosures and State-Required Contract Addenda

Date of Receipt: _____

Signature _____ Print Name _____

Company Name _____ Street Address _____

Telephone Number _____ City, State & Zip Code _____

RECEIPT
(Your Copy)

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

If The Camp Franchise Systems LLC offers you a franchise, it must provide this document to you 14 calendar days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale. **New York** requires that 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. **Iowa** requires that we give you this disclosure document at the earlier of the first personal meeting or 14 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 The Camp does not deliver this disclosure document on time or if it contains a false or misleading statement or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and to the appropriate state agency listed in Exhibit E.

The franchisor is The Camp Franchise Systems LLC, 5871 Pine Avenue, Suite 200, Chino Hills, CA 91709, tel. no. (909) 325-6011. The franchise sellers are Alejandra Font, Luis Font, and Kyle Glasgow.

Issuance date: April 6, 2026

The Camp authorizes the state agencies in Exhibit E to receive service of process for the company in that particular state.

I received a Franchise Disclosure Document dated April 6, 2026 that included the following Exhibits:

A. Franchise Agreement
B. Area Development Agreement
C. Operations Manual Table of Contents
D. Sample Release
E. State Franchise Administrators; Agents for Service of Process
F. Financial Statements
G. Franchisees as of December 31, 2025
H. Franchisees who Exited a Center during 2025
I. State Specific Disclosures and State-Required Contract Addenda

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